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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Japan

Kaifu: No Island Accord During Gorbachev Visit

OW2812053790 Tokyo KYODO in English 0513 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—Prime Minister Toshiki Kaifu said Friday Japan's territorial dispute with the Soviet Union will not be resolved during the planned visit to Japan by Soviet President Mikhail Gorbachev next April.

"I don't think that this issue can be cleared up in one visit," Kaifu told reporters. Kaifu added, however, that he hopes the visit would pave the way for a fundamental improvement in relations.

Kaifu made the remarks in response to a comment by newly-elected Soviet Vice President Gennadiy Yanayev that Japan should not expect Gorbachev's visit to bring an immediate solution to the dispute over four islands located off Hokkaido, northern Japan.

Yanayev warned Tokyo at a press conference "not to hope that Gorbachev will bring to them two islands in one of his pockets like Santa Claus, and two other islands are in his other pocket."

Chief Cabinet Secretary Misoji Sakamoto told a regularly scheduled press conference that Yanayev did not formally lodge the comment with the Japanese Government.

"When President (Gorbachev) visits Japan we hope to advance friendly discussions. We are trying to make rapid progress in Japan-Soviet relations," Sakamoto said.

Japan insists that the islands, occupied by the Soviet Union since the end of World War II, must be returned prior to signing a peace treaty.

The Soviet side says a peace treaty must be concluded as a first step toward improving relations.

Government Earmarks Aid for USSR, East Europe

OW2712122590 Tokyo KYODO in English 1145 GMT 27 Dec 90

[Text] Tokyo, Dec. 27 KYODO—The Japanese Government decided Thursday to set aside a little over 143 million yen from its fiscal 1991 budget for financial assistance to the Soviet Union, government sources said.

It will be the first time for Japan to take a budgetary measure to provide aid to the Soviet Union.

As part of its aid package to Eastern Europe, the government also agreed to earmark about 800 million yen in the fiscal 1991 budget for aid to Czechoslovakia, Bulgaria, and Yugoslavia.

The decision was reached during senior-level talks between the Foreign and Finance Ministries on the budget, scheduled to be announced by the government Saturday.

Both of the budgetary measures were new and were not included in the Finance Ministry's budget draft unveiled Monday.

Aid to the Soviet Union will be aimed at helping the country push forward its perestroyka reforms and move toward a market-oriented economy.

Part of the money will be used to help train researchers from the Soviet Union on business administration and technology.

Assistance to the three East European nations follows Prime Minister Toshiki Kaifu's pledge to extend financial aid after his tour of the region last January.

The Foreign Ministry insisted on the inclusion of the Soviet aid within the nation's budget package to keep its policies in step with those of Western nations.

With an eye toward Soviet President Mikhail Gorbachev's planned visit to Tokyo next April, the ministry also hopes the move will prod Moscow into returning four small Soviet-held islands off the coast of Hokkaido, analysts said.

The private sector is already providing Soviet managers and technicians with expertise on ways of boosting its productivity.

Hokkaido, RSFSR Sign Economic Memorandum

OW2812055490 Tokyo KYODO in English 0458 GMT 28 Dec 90

[Text] Sapporo, Dec. 28 KYODO—The Prefectural Office of Hokkaido and the Soviet Russian Republic have concluded a memorandum to create a joint working group to promote economic cooperation, Hokkaido Vice Governor Hiroshi Yamanaka said Friday.

Yamanaka said in a press conference that he signed the document on behalf of Japan's northernmost prefecture in Moscow on Wednesday during his visit to the vast Soviet republic.

The working team will comprise 66 Japanese members led by Yamanaka himself and 36 Russian officials under E.B. Shchkurenkov, in charge of external economic relations for the republic led by reformist leader Boris Yeltsin.

The group will hold its first plenary session between January 25 and February 1 in Sapporo to map out specific items for possible cooperation, Yamanaka said.

He said the joint group would draft its economic cooperation program by late 1991 and the Standing Committee, to be established in December next year, will promote the projects agreed upon.

Kaifu Urges U.S. To Hold Talks With Iraq

OW2812060390 Tokyo KYODO in English 0543 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—Prime Minister Toshiki Kaifu urged the United States on Friday to hold direct talks with Iraq to avert war in the Persian Gulf.

Kaifu told U.S. Ambassador to Japan Michael Armacost that he strongly hopes that the U.S. and Iraq will talk at an early date, and requested that his view be conveyed to President George Bush, a Foreign Ministry official said.

Kaifu said he made a similar request in a letter delivered to Iraqi President Saddam Husayn on Wednesday, in which he also called for the immediate withdrawal of Iraqi troops from Kuwait.

Armacost, who was paying a year-end courtesy call at Kaifu's official residence, welcomed the letter, citing it as a demonstration of the Western solidarity against Iraq. The ambassador also presented Kaifu with an American holiday turkey.

The U.S. and Iraq agreed to hold talks before the January 15 United Nations deadline for Iraq to quit Kuwait, but the meetings have so far failed to materialize due to squabbling over a date.

The U.S. has said it wants to meet no later than January 3, and Iraq says it will not allow the U.S. to dictate Saddam's schedule.

Ishihara on U.S. Role in Territorial Disputes

OW2712190990 Tokyo KYODO in English 1347 GMT 27 Dec 90

[Text] Tokyo, Dec. 27 KYODO—Conservative politician Shintaro Ishihara said Thursday that U.S. involvement in Japan's territorial disputes with the Soviet Union and China has made it difficult for Japan to resolve these issues.

Ishihara, known for his controversial book "The Japan That Can Say No" and for his recent claim that the 1937 Nanjing massacre by the Japanese Imperial Army never took place, made the remark at a meeting of the ruling Liberal Democratic Party faction to which he belongs, which was also attended by the press.

Ishihara, a House of Representatives member and former transport minister, mentioned the process of negotiations for the 1956 Japan-Soviet joint declaration and said the then U.S. Secretary of State John Foster Dulles took Japan's Foreign Minister Mamoru Shigemitsu, who was in charge of negotiations with Moscow, off to London for a meeting.

Ishihara said Japan and the Soviet Union had almost reached an agreement whereby Moscow would return two of the four northern islands it still occupies—the Habomai group and Shikotan—but the news was leaked in Tokyo and caused great consternation.

Japan returned to its previous claim to all four islands after Dulles threatened the Japanese delegation at the U.S. Embassy in London that if Japan agreed on the return of the two islands, the U.S. would never return Okinawa, which it was then administering, Ishihara said.

The Soviet Union entered into a state of war with Japan shortly before the end of World War II and occupied the four islands—Kunashiri, Etorofu, Shikotan, and the Habomai group—off Hokkaido.

The joint declaration stipulated that the Soviets would return Shikotan and the Habomai group after the conclusion of a peace treaty.

In 1960 the Soviet Union reacted to the revision of the U.S.-Japan Security Treaty and declared that the two islands would not be transferred to Japan.

Ishihara also discussed the dispute between Japan, China and Taiwan over the Senkaku Islands in the East China Sea and said Japan had urged the U.S. to explain to China and Taiwan that Washington recognizes Japanese sovereignty over the islands, but that the U.S. had failed to do so because it wished to improve its relations with Beijing.

Bank To Extend 'Untied' Loan to Jordan

OW2812072990 Tokyo KYODO in English 0720 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—The Export-Import Bank of Japan on Friday announced it will sign an agreement next Monday to extend 75 million U.S. dollars in an untied loan to Jordan.

The credit represents Japan's first economic assistance to a "frontline" Middle East nation affected by the Persian Gulf crisis, bank officials said.

Japan had pledged to supply a total of 2 billion dollars to those nations.

The loan to be extended to Jordan will be used to help finance the country's imports, the officials said.

Fingerprinting of South Koreans To End in 1993

OW2712185090 Tokyo KYODO in English 1339 GMT 26 Dec 90

[Text] Tokyo, Dec. 27 KYODO—The Japanese Government plans to stop fingerprinting all of the country's South Korean residents in 1993, government sources said Thursday.

Prime Minister Toshiki Kaifu will inform South Korean President No Tae-u of the plan when he visits Seoul on January 9-10, the sources said.

The government is considering developing a family registry-type record as a substitute for fingerprinting, according to the sources. It expects to develop the new system by the end of 1992.

The government now keeps track of Japanese citizens through a family registry system, but requires foreign residents to be fingerprinted when they turn 16.

The government will submit a bill to the Diet in December 1991 revising the Alien Registration Law to pave the way for abolishing the fingerprinting requirement for all South Korean residents, the sources said.

North Korean and Taiwanese residents are also likely to be exempted from fingerprinting under the new system, they said.

During No's visit to Japan in May, Japan agreed to exempt legally-defined third-generation and later South Korean residents from the fingerprinting requirement.

The Seoul government and South Korean residents' associations, however, pointing out that there are now only some four "third- generation" residents, all of them infants, have demanded that first- and second-generation Koreans also be exempted from the unpopular practice.

At a Japan-South Korea ministerial meeting in Seoul in late November, Japan pledged to stop fingerprinting first- and second- generation South Koreans living in Japan as soon as a suitable alternative method could be developed.

By definition, the first generation of South Korean residents are those who arrived in Japan, many as forced laborers, before or during World War II, and those born in Japan before January 16, 1971.

The second generation was defined by the Japan-South Korea normalization treaty in 1965 as those born to first generation parents after January 16, 1971, while the third generation comprises the children of the second generation.

Some 680,000 ethnic Koreans live in Japan.

Kaifu's South Korean Itinerary Announced

OW2812050590 Tokyo KYODO in English 0428 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—Prime Minister Toshiki Kaifu will visit South Korea on January 9-10 and hold two rounds of talks with President No Tae-u, the government announced Friday.

Kaifu hopes to promote new future-oriented Tokyo-Seoul cooperative relations based on a worldwide perspective, the announcement said. No visited Japan last May.

Chief Cabinet Secretary Misoji Sakamoto indicated at a press conference that Kaifu will tell No when Japan intends to scrap the compulsory fingerprinting of South Korean residents in Japan, the largest pending issue between the two countries.

The two rounds of Japan-South Korea summit talks are scheduled for January 9 and 10, the announcement said.

Kaifu will also meet new Prime Minister No Chae-pong on January 9. No was appointed to the post by No [Tae-u] in a cabinet reshuffle on Thursday.

Kaifu's visit was also announced by the South Korean Government the same day.

Kaifu To Seek ASEAN Cooperation on Cambodia

OW2712165790 Tokyo KYODO in English 1051 GMT 27 Dec 90

[Text] Tokyo, Dec. 27 KYODO—Prime Minister Toshiki Kaifu told envoys from Southeast Asia on Thursday he will seek closer cooperation on restoring peace in Cambodia during his January tour of five Southeast Asian countries.

Signaling Japan's bid for a more substantial political role in Asia, Kaifu told ambassadors from the six-nation Association of Southeast Asian Nations (ASEAN) that Cambodia will top his agenda in talks with leaders.

"I hope to clarify Japan's role in maintaining peace in security in Asia during the trip," a Foreign Ministry official quoted Kaifu as saying.

The six ambassadors were paying a courtesy call on Kaifu at his official residence.

Singapore ambassador to Tokyo Cheng Tong Fatt told Kaifu that future stable relations between Japan and the United States are in the interest of ASEAN.

Kaifu is tentatively scheduled to visit Malaysia, Singapore, Brunei, the Philippines and Thailand from January 13-20.

In May, Kaifu visited Indonesia, the sixth member, which currently chairs the ASEAN forum.

The trip comes seven months after Japan stepped up its involvement in the Cambodia peace process by hosting for the first time a round of peace talks in Tokyo.

Foreign Ministry officials have indicated that Japan is prepared to play a substantial role in reconstructing the war-ravaged nation after the four warring factions reach an agreement on ending hostilities and holding free elections.

The January visit will be Kaifu's first extensive trip to ASEAN nations since becoming prime minister in August 1989.

Southeast Asia is usually one of the first destinations for new prime ministers.

Kaifu delayed the trip until after paying visits to North America, Europe, and the Middle East, in part because former Prime Minister Noboru Takeshita made a visit to the region shortly before he resigned last summer, according to a Kaifu aide.

Buddhist Priests Appeal for Democracy in Burma

OW2812082190 Tokyo KYODO in English 0751 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—A group of Japanese Buddhist priests are urging Myanmar's [Burma's] military government to immediately hand over power to the election-winning opposition to revive democracy in the predominantly Buddhist nation, organizers said Friday.

The Japan branch of the Bangkok-based, 20-nation ecumenical International Network of Engaged Buddhists (INEB), comprising over 40 priests and a dozen other Buddhist activists, also demands that the Japanese Government and firms halt aid and investment to the Myanmar Government, the group said in a statement.

It charged that Japanese aid to Yangon [Rangoon], although limited after the 1988 military coup, keeps feeding the budget of the Myanmar Government, which stays in power ignoring the popular opposition National League for Democracy's (NLD)'s landslide victory in general elections held in May.

The United States, Canada, and Germany withdrew aid from Myanmar, formerly Burma, after ruler Gen. Saw Maung seized power in September 1988 using military force to put down a pro-democracy uprising by the public.

Japan, whose aid accounted for 71.5 percent of foreign economic aid to Yangon in 1987, temporarily suspended aid in concert with other donors but unilaterally resumed work on existing aid projects involving Japanese firms in March 1989 after recognizing the military govenment.

Students, monks, and ethnic minorities are the main forces struggling against government repression in Myanmar. Last week, a group of dissidents led by a cousin of NLD leader Aung San Suu Kyi under house arrest, declared a provisional government in the eastern border area, demanding a transition of power to elected representatives.

The Japanese Buddhist Activists Organization, based in Aichi Prefecture in central Japan, last year invited to Japan Buddhist monks from Bangladesh, who said Buddhist communities in the Chittagong Hill Tracts District in the southeast part of the dominantly Muslim nation are facing massacre and dislocation.

Finance Ministry Approves F-15's, Aegis Ship

OW2712133390 Tokyo KYODO in English 1245 GMT 27 Dec 90

[Text] Tokyo, Dec. 27 KYODO—The Finance Ministry Thursday agreed to additional appropriations for two more F-15 fighters and a missile-carrying Aegis ship during working-level talks with Defense Agency officials for the fiscal 1991 budget beginning next April, ministry officials said.

This brings the year-on-year increase rate for the defense budget to 5.5 percent from the 5.1 percent growth in the original 4,372.9 billion yen defense budget draft, which was announced by the Finance Ministry on Monday, the officials said.

The Defense Agency had originally made budget requests for, among others, a total of 11 F-15s and an Aegis ship for the next fiscal year, but the Finance Ministry slashed to six F-15s and refused to appropriate for the ship under its original budget draft.

The ministry's acceptance for more defense budget followed its accord on Wednesday to fund 28 out of the originally requested 34 60-type tanks.

'Sources': Kaifu To Reshuffle Cabinet 29 Dec

OW2812112390 Tokyo KYODO in English 1116 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—Prime Minister Toshiki Kaifu will reshuffle his 21-member cabinet Saturday in the second such overhaul since he became prime minister in August last year, political sources said Friday.

The decision, arrived at in a 45-minute meeting with Ichiro Ozawa, secretary general of the ruling Liberal Democratic Party [LDP], ends weeks of speculation about when Kaifu would opt for a new line-up.

Kaifu is expected to leave ministers who head principal ministries in place to ensure continuity in policy making, the sources said. He is also likely to bar politicians tainted by money scandals in a bid to maintain his image as "Mr. Clean."

Kaifu has been able to maintain relatively high support ratings, despite rather dull political performance, in part because he has been seen as trying to maintain higher ethical standards, according to political analysts.

Among those tipped to retain their posts are Finance Minister Ryutaro Hashimoto and Chief Cabinet Secretary Misoji Sakamoto.

The party is also expected to keep its current leadership in place. The three top party officials are Ozawa, Takeo Nishioka, chairman of the decision-making Executive Council, and Mutsuki Kato, chairman of the LDP Policy Affairs Research Council.

Coming Reshuffle Causing 'Friction'

OW2812121290 Tokyo NHK General Television Network in Japanese 1000 GMT 28 Dec 90

[Text] Prime Minister Kaifu met with General Secretary Ozawa of the Liberal Democratic Party [LDP] this evening and decided to reshuffle his cabinet and key party executive posts tomorrow.

Mr. Kaifu met with Mr. Ozawa at his official residence at 1730 this evening after the government virtually completed its budget plan for fiscal 1991. At the meeting, Mr. Kaifu decided to reshuffle his cabinet and party executive posts tomorrow. You now will hear our correspondent's report from the prime minister's residence.

[Correspondent Matsuoka] On the grounds that he wanted to tackle major political issues, including the budget compilation, Prime Minister Kaifu has not been so enthusiastic about carrying out a Cabinet reshuffle by the end of the year. Now that the budget compilation work is expected to be formally completed tomorrow, however, it may be said that these major issues are now more or less behind him. Besides, pressure has been mounting in the LDP for a reshuffle before the end of the year. He apparently decided to give in to this and launch an early reshuffle at the last minute.

Mr. Kaifu and Mr. Ozawa agreed at a meeting earlier today that a reshuffle should be carried out tomorrow. General Secretary Ozawa will begin immediately the process of adjusting opinions among the major factions, but friction has emerged in some factions over the personnel matter.

Mr. Kaifu wants to retain three party executives, including General Secretary Ozawa, and key ministers like the finance and foreign ministers. Former Deputy Prime Minister Miyazawa, who heads the Miyazawa faction, however, is strongly opposed to keeping Mr. Nishioka in the post of party Executive Council chairman. Mr. Nishioka, consequently, left the Miyazawa faction.

Mr. Kasuya, chief secretary of the faction, announced that the Miyazawa faction is a group of gentlemen which normally does not act in such a high-handed way, but added that it is necessary sometimes for the faction as an organization to take a tough decision. Mr. Kasuya indicated that this was the decision of the faction's chairman and other executive members.

Regarding the Cabinet reshuffle, the Abe faction, to which Foreign Minister Mr. Nakayama belongs, is said to be against retaining Mr. Nakayama in that post. For the reshuffle to be carried out tomorrow, differences of views need to be adjusted without delay. Thus, Mr. Ozawa and his people have embarked on adjusting these views.

'Left-Wing Radical' Attacks Reach 15-Year High

OW2812115590 Tokyo KYODO in English 1141 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—Left-wing radical groups waged a total of 143 guerrilla attacks during 1990, which was a 15-year high, the National Police Agency [NPA] said in its annual report released Friday.

The number was the largest since 128 attacks recorded in 1978.

The report said Emperor Akihito's November 12 enthronement ceremony and November 22-23 Daijosai food offering rites were the main targets of the radicals' attacks, with the number of terror attacks accounting for 127 of the total.

The report, titled "The Prospects and Retrospective on Public Safety," also mentioned five cases of gun attacks by ultrarightists.

Rightwingers shot and seriously wounded Nagasaki Mayor Hitoshi Motoshima in January, fired shots at the home of Toru Yuge, president of the Ferris College for Women in Yokohama in April, and fired at the campaign office of former Prime Minister Yasuhiro Nakasone in February, the report said.

Motoshima became the target of a right-wing attack because of his remarks that the late Emperor Hirohito was responsible for World War II.

Forty guerrilla raids, the most in a single day, took place in Tokyo and five other prefectures on November 12 when a series of Emperor Akihito's enthronement ceremonies began, the report said.

With combined slogans opposing the enthronement and subsequent thanksgiving rites, and the Narita Airport expansion project, radical groups escalated indiscriminate attacks with fake bombs and new projectiles, it said.

Police rounded up 203 radicals in raids on 11 hideouts, the report said.

The NPA report warned that radical groups will mark 1991 as the year of anti-emperor and anti-airport uprisings, the report said.

It also said the Japanese Red Army guerrilla group suggests it will resort to terrorism in a bid to block moves to send the Self-Defense Force (SDF) overseas and to release colleagues from jail.

Omron To Set Up Offices in USSR, East Europe

OW2812082290 Tokyo KYODO in English 0753 GMT 28 Dec 90

[Text] Osaka, Dec. 28 KYODO—Omron Corp. will set up representative offices in the Soviet Union, Czechoslovakia, Hungary, and Yugoslavia on January 1, company officials said Friday.

The offices will handle sales and after-sales service of timers and switching and control components, and undertake market researches, they said.

The electronics maker expects demand for control components to increase as industrialization takes off in Eastern European countries, officials said.

The company will initially send two to four representatives to each office, but has future plans to upgrade it to a wholly owned marketing subsidiary, they said.

Until now, Omron has exported products worth 1 billion yen a year to Eastern Europe through its sales company in Austria, the officials said.

Omron is a top manufacturer of control components, electronics fund transfer systems, and point-of-sale equipment.

Central Bank To Continue Curb on Lending

OW2712170590 Tokyo KYODO in English 1056 GMT 27 Dec 90

[Text] Tokyo, Dec. 27 KYODO—The Bank of Japan (BOJ), still worried about the danger of inflation, announced Thursday it will continue to direct commercial banks to curb lending growth in the January-March quarter.

Under the policy of so-called "window guidance," the central bank will instruct the nation's 12 major banks, known as city banks, to hold the growth of lending down 32.9 percent below year-earlier levels in the next quarter, bank officials said.

The restraint in the coming three months follows the central bank's earlier directive that the pace of lending by the 12 banks be decreased by 33.4 percent in the October-December quarter from a year earlier.

The growth of lending will be held down 23.5 percent for the nation's three long-term credit banks, and there will be a 32.1 percent decrease for trust banks, the bank officials said.

The latest decision comes amid lingering worries about inflation among central bank officials. Bank of Japan Governor Yasushi Mieno has repeatedly warned of the threat of inflation caused by rising wages and higher oil prices stemming from the Gulf crisis.

At Wednesday's press conference, Mieno said latent inflationary pressures should not be ignored in light of the underlying strength of the economy.

The BOJ, trying to head off inflation, has kept its credit policy tight by raising the official discount rate five times since May 1989, from 2.9 percent to 6 percent.

Financial analysts say the latest instruction on lending growth might provoke criticism from business circles as the credit tightening has kept the cost of fund raising high for capital spending.

But a central bank official brushed aside such a possibility. "Banks remain positive toward normal loans such as those for business investment. So there will be no problem," the official noted.

North Korea

No's Cabinet Shuffle Called 'Last-Ditch Effort'

SK2812050890 Pyongyang KCNA in English 0446 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—No Tae-u staged "a cabinet reshuffle" on December 27, according to a radio report from Seoul.

What draws attention in the "cabinet reshuffle" is that not a few of those who had close connections with the "Fifth Republic" were appointed to important posts.

This suggests that No seeks through the "cabinet reshuffle" to further strengthen the tottering present fascist system in league with the forces of the "Fifth Republic" bossed by Chon Tu-hwan, push ahead with the "nordpolitik" and thus put spurs on the moves to create "two Koreas."

As for No Chae-pong who took office as "prime minister," he had built his foothold in the "Fifth Republic" and underpinned No Tae-u as "special assistant to the president in charge of political affairs" and "chief presidential secretary" after the emergence of the "Sixth Republic."

And Choe Ho-chung who took the post of "deputy prime minister and unification minister" had been "foreign minister" whose full-time mission had been to peddle No Tae-u's separatist "nordpolitik" at home and abroad and entreat outside forces to "recognize" the present state of division and "legalize" "two Koreas."

Moreover, the "home minister" and the "justice minister," descendants of the "Fifth Republic" branded as murderers, are left to stay at their posts and Yun Yong-sop who was chairman of the "General Federation of Teachers," a puppet government-controlled organization, was appointed "education minister" in the "cabinet shakeup." This fully reveals No Tae-u's intention to intensify suppression of patriotic dissident forces and students in South Korea under the cloak of "war against crimes."

Another aim he seeks in the "cabinet reshuffle" is to attain his "political stability" and stage another extensive fraud in the "local autonomy elections" due in the first half of next year and in the "general elections" in the year after the next and thus maintain the one-party dictatorship of the "Democratic Liberal Party."

No's "cabinet reshuffle," however, makes it self-evident that it is a last-ditch effort of those doomed to destruction.

Arrest of 'Patriotic Forces' in South Denounced

SK2812114790 Pyongyang KCNA in English 1007 GMT 28 Dec 90

["Declaration of War Aimed at Wholesale Suppression of Patriotic Forces"—KCNA headline]

[Text] Pyongyang December 28 (KCNA)—The South Korean puppets on December 26 made public one more fictitious anti-communist case, an enlarged version of the "Chamintong case" they had fabricated earlier.

The puppets labelled the South Korean National Democratic Front (Hanminjon), a patriotic organisation of South Korea, as "North Korea's camouflaged propaganda machine levelled at the South" and branded "Chamintong" as an organisation which is active in accordance with the action line of "Hanminjon", and alleged that Chondaehyop and general student councils of many universities are linked with the North through Chamintong. And they made public a "Chonminhaknyon case"; on December 27.

The publication of a string of cases by the puppets is, in fact, a provocation totally refusing reconciliation and unity with the North and a declaration of war aimed at a wholesale crackdown on the pro-reunification democratic forces of South Korea, says NODONG SINMUN in a commentary today.

We, declares the news analyst, bitterly denounce the publication of the faked-up cases, branding it as an anti-popular, anti-democratic, anti-reunification criminal act run through with sheer lies and fabrication.

The puppet "Security Planning Board" labelled "Hanminjon" as "North's camouflaged propaganda machine levelled at the South" and claimed that Chamintong, Chondaehyop and other independent democratic organisations of South Korea are "manipulated by it" behind the scene in an effort to link the movement for independence, democracy and reunification in South Korea with the North.

This is a downright lie and a far-fetched argument.

As for "Hanminjon", it is a patriotic organisation fighting for independence, democracy and reunification in South Korea, whose predecessor is the revolutionary party for reunification. It changed its name to suit the requirement of the situation and the desire of the people.

If the South Korean rulers had the intention to resolve the reunification question through reconciliation and cooperation with the North, they would not have misrepresented "Hanminjon", an independent organisation of South Korea, as "North's camouflaged propaganda machine levelled at the South".

It is no less preposterous to brand democratic organisations of South Korea as North-manipulated "underground revolutionary organisations". Chondaehyop to which the puppets directed the sharp edge of their repression is a legitimate representative organisation of the one million students of South Korea. It is a sheer fabrication and an unpardonable insult to the South Korean students to allege that Chondaehyop is "manipulated behind the scene" by the North. In connecting Chondaehyop with the North the puppet "Security Planning Board" seeks to suppress it as an "illegal organisation" and its member students as "pro-communists".

"The fabrication of a series of anti-communist cases by the No Tae-u group reveals its desperate efforts to tide over the biggest political crisis since its seizure of power. Writhing in the hopeless crisis of their rule, the puppets have invented the afore-said cases to totally stifle the patriotic forces demanding independence, democracy and reunification by shifting the responsibility for social confusion on to them.

The fascist suppression by the puppets is, however, the last spasm of the doomed and the No Tae-u military fascist "regime" will meet its doom for this.

No's 'Provocative Utterances' Assailed

SK2812044290 Pyongyang KCNA in English 0420 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—No Tae-u showed up at the Yongsan, Seoul, "District Office" and Fire Station, the Noyangjin Police Station, the puppet Naval Headquarters, etc. on December 26 and made provocative utterances against the North, according to a radio report from Seoul.

At the puppet Naval Headquarters he raised an outcry over someone's "attempt for unification through communization".

This is a jargon for covering up the design to "unify the country by prevailing over communism" and inciting confrontation with the North.

We declared more than once that we will not "invade the South" nor are capable of doing it.

At the North-South High-Level Talks we have repeatedly urged the South side to adopt a "nonaggression declaration" between the North and the South for removing distrust between the sides and preventing a possible war.

The South Korean rulers, however, have rejected it.

No Tae-u must clearly know that no matter how desperately they may try to aggravate distrust and confrontation between the North and the South and foster the fever of northward invasion, they can never gratify their desire for "unification by prevailing over communism".

Committee Denounces U.S. 'Nuclear Umbrella'

SK2812042690 Pyongyang KCNA in English 0408 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—The International Liaison Committee for the Reunification and

Peace of Korea (CILRECO) brought out the December issue of its bulletin on December 17.

The bulletin carries an editorial entitled "What Is the Aim of the United States in Taking Issue With the DPRK in Regard to the Problem of Signing Safeguards Accord Under the Nuclear Non-Proliferation Treaty?" and gives accounts of international solidarity movements supporting the reunification cause of Korea.

In the editorial the bulletin says now the Bush Government is kicking up a row over the question of signing a nuclear safeguards accord under the Nuclear Non-Proliferation Treaty which has not been solved between it and the DPRK, noisily advertising that this poses an obstacle to the development of relations between the DPRK and other countries.

In raising a hue and cry over this in the international arena the United States seeks to justify its military occupation of South Korea and scuttle the inter-Korean dialogue and the editorial notes, adding:

Although the Democratic People's Republic of Korea put forward the epochal proposals of making the Korean peninsula a nuclear-free, peace zone and realising disarmament and peace there, the United States and the South Korean authorities disregarded them, failing to mention a word about them, and the United States keeps more than 1,000 pieces of nuclear weapons deployed in South Korea.

The U.S. authorities intend to further strengthen the "nuclear umbrella" and continue with the "Team Spirit" joint military exercises, provocative nuclear war manoeuvres, in South Korea.

The DPRK has made it clear that it is ready to sign a nuclear safeguards accord anytime if the United States guarantees that it will remove nuclear threats from the Korean peninsula. Entirely unjust are the moves of the United States misleading world public opinion.

The editorial calls upon the world's peaceloving people to express active support to the Korean people in their just struggle to make the Korean peninsula a nuclear-free, peace zone.

Paper Urges End to South's Military Exercises

SK2512103490 Pyongyang KCNA in English
1012 GMT 25 Dec 90

["'Team Spirit' Must Be Terminated"—KCNA headline]

[Text] Pyongyang December 25 (KCNA)—The U.S. imperialists and the South Korean puppets must bring the "Team Spirit" military exercises to an end and immediately accept our proposal for peace and reunification.

MINJU CHOSON today says this in a signed commentary condemning the projected criminal "Team Spirit" joint military exercises of the U.S. imperialists and the South Korean puppet clique.

The paper notes:

The U.S. imperialists and the puppets decided to stage the "Team Spirit" military manoeuvres next year, too, which is a grave challenge to peace on the Korean peninsula and the Korean people's cause of peaceful reunification.

The South Korean puppets, ignoring our just demand, are going to continue the military manoeuvres together with outside forces. This is a deliberate criminal act that rejects North-South dialogue and reunification.

It is obvious that when the "Team Spirit" is staged again in South Korea, the situation on the Korean peninsula will become all the more strained and then peace and peaceful reunification will be seriously affected and North-South dialogue be endangered.

Knowing full well the grave consequences to be entailed by the "Team Spirit", the puppets are persistently scheming to stage the war game. Such acts of theirs prove that they do not want national reconciliation and unity, peace and peaceful reunification of the country but seek only confrontation, permanent division and war.

It is ridiculous of the puppets to try to justify the "Team Spirit" exercises with the advertisement of the "reduction in scale", which is nothing but a deceptive propaganda aimed at covering up the aggressive and provocative nature of the joint military manoeuvres.

Pyongyang Meeting Commemorates Madagascar

SK2612110790 Pyongyang KCNA in English
1049 GMT 26 Dec 90

[Text] Pyongyang December 26 (KCNA)—A meeting was held here today on the occasion of the 15th anniversary of the proclamation of the Democratic Republic of Madagascar.

Present were Chang Chol, minister of culture and art and chairman of the Korea-Madagascar Friendship Association, Pak Tong- chun, vice-chairman of the committee for cultural relations with foreign countries, other officials concerned and working people in the city.

After a speech was made, a message of greetings to Didier Ratsiraka, president of the Democratic Republic of Madagascar, was adopted.

Choe Tae-pok, Delegation Return From France

SK2812051890 Pyongyang KCNA in English
0419 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—The delegation of the Workers' Party of Korea [WPK] headed by Comrade Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the WPK, returned home on December 27 after participating in the 27th congress of the French Communist Party.

It was met at the airport by Kim Chae-pong, vice-director of a department of the WPK Central Committee.

KCNA Reviews 28 Dec Pyongyang Press

SK2812050190 Pyongyang KCNA in English 0431 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—Papers here today frontpage a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to King Birendra Bir Bikram Shah Dev of Nepal on his birthday.

Carried in NODONG SINMUN are a letter to the great leader President Kim Il-song from the participants in the 25th National Scientific Symposium on the Chuche Idea held in Japan and its account.

The paper gives nearly one whole page to an article entitled "It Is Vital to the Cause of Socialism To Establish Chuche" on the occasion of the 35th anniversary of the publication of President Kim Il-song's classical work "On Eliminating Dogmatism and Formalism and Establishing Chuche in Ideological Work" (December 28, 1955).

Dailies carry articles telling that President Kim Il-song kindled the torch of the grand chollima march when he called on workers in Kangson 34 years ago.

Dear Comrade Kim Chong-il's work was reported in foreign countries, says NODONG SINMUN.

Echoed in MINJU CHOSON is reaction of officials and party members to a reply letter of Comrade Kim Chong-il to the members of the second party cell of the Department No.5 of the KCNA.

Econews of the press includes reports that the Komdok Mining Complex has increased ore production and an effective drive to spread humus soil on fields is progressing apace in rural communities.

NODONG SINMUN features photo-accompanied stories introducing our socialist culture which brilliantly adorned the first year of the 90s and MINJU CHOSON carries an article titled "The Chuche Idea and People's Faith Are Source of Victory of Socialist Cause".

NODONG SINMUN informs the readers that Korean films such as "The Flower of Reunification" and "The Concrete Wall Symbolic of National Division" were screened in India and Uganda.

The daily comes out with commentaries accusing the South Korean fascist clique of rigging up one anti-communist case after another and condemning the U.S. imperialists for seeking to beef up armed forces behind the scene of "troop cutback".

South Korean news columns of the paper include reports that Cardinal Kim Su-hwan deplored that politics, economy and social ethics and morality are collapsing in South Korea and the South Korean Lawyers Association flayed the authorities' scheme to malrevise the law.

An article of the paper says that the grave crisis of the South Korean economy seriously affects the people's living.

Printed in the press are an account of the inauguration of the overseas headquarters of the Pan-National Alliance for Reunification in Berlin and a resolution and statement adopted at the inaugural meeting.

Echoed in the press are voices of solidarity for the Korean people's cause of national reunification that loudly rang out from all over the world this year.

A national meeting marking the 32nd anniversary of the victory of the Cuban revolution was held in Pyongyang, says the press.

NODONG SINMUN reports that the Chinese PEOPLE'S DAILY carried an article calling for exerting efforts for ideological education in the countryside.

It is reported in the press that the birthday of the People's Army was celebrated in Yugoslavia and the Soviet Paper SOVETSKAYA ROSSIYA December 7 carried an article titled "Awakening" on the present crisis in the Soviet Union contributed by Yu. Belov, secretary of the Leningrad Regional Committee of the Communist Party of the Soviet Union.

Dailies observe the national day of Nepal.

NODONG SINMUN reports that the Setubal City, Portugal, Committee for the Independent and Peaceful Reunification of Korea demanded the release of the South Korean patriotic, reunification champions.

Kim's Article 'On Socialist Pedagogy' Printed

SK2812041790 Pyongyang KCNA in English 0404 GMT 28 Dec 90

[Text] Pyongyang December 28 (KCNA)—The Workers' Party of Korea Publishing House brought out "On Socialist Pedagogy" (Vol.2), a collection of works of the great leader President Kim Il-song.

Contained in the collection are 46 works including highly important reports, speeches and talks made by President Kim Il-song from February 1973 to May 1990, on further developing socialist educational work in conformity with the demand of the developing revolution.

The works expound the purpose and mission of socialist education, the basic principles of socialist pedagogy and all the principles to be firmly adhered to in socialist educational work.

They also indicate the tasks and ways of further completing the content and methods of socialist education and effecting a new turn in educational work in keeping with the requirement of the developing reality.

They give exposition of the essential superiority and vitality of our socialist educational system.

Besides, they comprehensively consummate the ideas, theories and policies which give answers to the principled questions arising in correctly solving the question of assimilating the whole of society to intelligentsia, the question of training communist men and the question of socialist education.

Decree Conferred on 'Exemplary' Budget System

SK2012055190 Pyongyang Domestic Service in Korean 1200 GMT 13 Dec 90

[Text] A DPRK Central People's Committee decree on conferring the title of exemplary district and county of the local budget system was conferred on the Potong River district in Pyongyang and the Yontan County in North Hwanghae Province.

The DPRK Central People's Committee confers the title of exemplary district and county of the local budget system to the Potong River district in Pyongyang and the Yontan County in North Hwanghae Province for showing a fine example of vigorously carrying out the struggle to fulfill our party's policy of the local budget system by highly upholding the party's leadership and under the banner of the three revolutions—ideological, technological, and cultural. By doing so, a fine example was shown on maintaining the district and county well as an overall unit in the local economic development; on developing the local industry and trade by actively investigating and mobilizing inner reserves; and on enhancing the people's lives by strengthening the people's service work.

[Signed] Kim Il-song, president of the DPRK.

[Dated] 5 December 1990 Pyongyang.

Achievements of Cement Industry Reported

SK2212111490 Pyongyang KCNA in English 1015 GMT 22 Dec 90

[Text] Pyongyang December 22 (KCNA)—Korea has registered a signal success in the development of cement industry.

In order to fully supply cement needed for the grand socialist construction the state has steadily increased its production capacity.

Additional production capacity of some 8.5 million tons of cement has been created in the past 20 years.

In particular, the cement production capacity increased 2.2 times in the 1970's with the construction of the modern Sunchon cement complex with a capacity of three million tons a year and other cement factories in Puraesan, Pusanri and Kujang.

The Sangwon cement complex has been built into a model complex of modern industry in the 80's.

Big and small cement factories have made their appearance in different parts of the country to produce cement needed for local construction. The cement industry of Korea which started from scratch has supplied by itself cement for the construction of many objects including the Sunchon vinalon complex which will annually produce one million tons of carbide, 750,000 tons of methanol, 100,000 tons of vinalon, 900,000 tons of nitrogenous fertilizer, 250,000 tons of caustic soda, the sariwon potassic fertilizer complex, the expansion projects of key industries, the reclamation of tideland, and the construction of 105-storeyed Ryugyong Hotel and cultural establishments.

The annual cement production capacity of Korea reached 12 million tons in the period of the second 7-year plan (1978- 1984) and has now set a target of 22 million tons.

Meeting Celebrates Buddhists Federation Founding

SK2612111890 Pyongyang KCNA in English 1051 GMT 26 Dec 90

[Text] Pyongyang December 26 (KCNA)—A meeting commemorating the 45th founding anniversary of the Korean Buddhists Federation was held at the conference room of its central committee on Dec. 25.

Present there were officials of the central committee of the federation and its provincial, city and county committees and resident priests of major temples in the northern half of Korea and believers in Pyongyang.

Chong Sin-hyok, chairman of the Korean Religionists' Association; Kang Yong-sop, chairman of the central committee of the Korean Christians Federation; and Chang Chae-chol, chairman of the central committee of the Korean Roman Chatholics Association, were present on invitation. Venerable Hwang Pyong-tae, vice-chairman of the central committee of the Korean Buddhists Federation, made a report.

He said Buddhism, which is humanics, and the chuche idea, the man-centred doctrine, have a thread of connection between them.

In the past period the Buddhists took an active part in the building of the people's government based on the United Democratic National Front involving all the political parties, public organizations and the people of all walks of life, the enforcement of the democratic reforms, the struggle for victory in the Fatherland Liberation War, the post-war rehabilitation and construction and socialist construction and the struggle to accomplish the sacred cause of national reunification in support of all the policies of the DPRK Government fully embodying the chuche idea.

The chuche-based socialist society built in the northern half of Korea, where all the people are equal and enjoy welfare is the Buddhist elysium desired by the Buddhists for a long time, he said, and continued:

They are making energetic efforts to defend and develop it.

Some South Koreans are arguing for "institutional unification". This is sophistry of the flunkeyist traitors which is unsuitable to the conditions of our country where different ideologies and systems exist in the North and the South.

The new five-point policy of national reunification advanced by respected President Kim Il-song is, indeed, a most fair and aboveboard reunification proposal which makes it possible to reunify the country without fail in the 1990s by means of founding a democratic confederal republic of Koryo, he stressed.

The Korean Buddhists Federation will lead the Korean Buddhists in the North and the South and overseas and the Buddhists all over the world and make an active contribution to building the elysium in Korea to live a free, harmonious, equal and peaceful life and thus discharge its mission and role as a patriotic and democratic Buddhist organisation, he stated.

South Korea

Japanese Prime Minister To Visit Seoul Jan 9-10

SK2812031090 Seoul YONHAP in English 0255 GMT 28 Dec 90

[Text] Seoul, Dec. 28 (OANA-YONHAP)—Japanese Prime Minister Toshiki Kaifu will pay an official visit to South Korea Jan. 9-10 as the guest of No Tae-u, presidential spokesman Yi Su- chong announced Friday. No will have two rounds of talks with Kaifu to discuss bilateral cooperation in easing tension on the Korean peninsula and laying the ground for peaceful unification by promoting inter-Korean exchanges and cooperation, Yi said.

"Kaifu's visit to Korea will be the momentum to conclude the question of the legal status of Korean residents in Japan that was initiated during No's visit to Japan in May, and to further promote bilateral friendly and cooperative relations in every field," Yi said.

No and Kaifu are also expected to discuss the roles of the two countries in enhancing peace and cooperation in Northeast Asia and the Pacific region, while exchanging opinions on the changing relationship between the United States and the Soviet Union and between the Soviet Union and Eastern Europe.

Kaifu, who will be accompanied by his wife, will be the second Japanese prime minister to visit Seoul since the neighboring countries normalized relations in 1965. Former Prime Minister Yasuhiro Nakasone was here in January 1983.

USSR-DPRK Economic Cooperation Viewed

SK2812065990 Seoul KYONGHYANG SINMUN in Korean 26 Dec 90 p 2

[Text] It has been learned that North Korea is seeking ways to step up cooperation and exchange with the Soviet Union despite the ongoing improvement of relations between the ROK and the Soviet Union.

According to a government official on 26 December, North Korea sent an economic delegation to the Russian Soviet Federative Socialist Republic on 24 December and a "1991-1995 protocol on basic orientation of scientific and technological cooperation in standard measures" was signed in Pyongyang between North Korea and the Soviet Union on 17 December.

The government official also disclosed that along with the protocol a 1991 plan for scientific and technological cooperation was signed in Pyongyang by No Song-kyun, vice chairman of the State Commission of Science and Technology of North Korea, and (Silchin), vice chairman of the State Committee for Quality Control and Standardizaton of the Soviet Union. He said that this can be interpreted as North Korea's efforts not only to improve the quality of products and to enhance productivity by introducing technology from the Soviet Union, but also, in this way, to expand trade with the Soviet Union and other East European countries.

More on North-Soviet Economics

SK2812074790 Seoul SEOUL SINMUN in Korean 27 Dec 90 p 2

[Text] On 26 December, it was learned that North Korea, striving to strengthen relations with the socialist countries in Asia, such as the Union of Myanma (Burma), Vietnam, and Mongolia, is positively promoting its own version of a southern policy in a bid to emerge from international isolation resulting from the establishment of diplomatic relations between South Korea and the Soviet Union and the signing of an agreement to exchange trade missions between South Korea and China, as well as to get ready for the emergence of a new order in the Northeast Asia, including the Korean peninsula.

It is also reported that North Korea, while being engaged in a propaganda war with the Soviet Union over their establishing diplomatic relations with the South and for having held ROK-USSR summit talks, using the press as an instrument, is groping toward expanding trade with the Soviet Union in an effort to overcome economic difficulties. Its recent signing of a protocol with the Soviet Union on the basic tenor of scientific and technical cooperation in the area of standardization and measurement can be cited as an expression of such effort.

A government official said: North Korea is stressing the need to build a new Asia with a view toward cementing ties with the socialist countries in Asia. Premier Yon

Hyong-muk's planned visit to three Northeast Asian rice-producing countries, such as Thailand and Malaysia, at the end of next January, seems to be an effort to overcome the shortage of foodstuffs in North Korea and to actively promote southern policy.

The government official continued: Even while denouncing the Soviet Union for having established diplomatic relations with the ROK and for having held ROK-USSR summit talks through NODONG SINMUN, North Korea has recently signed an accord on cooperation on standardizations and measurements.

Government Appoints 20 Vice Ministers, Mayors

SK2812065690 Seoul YONHAP in English 0548 GMT 28 Dec 90

[Text] Seoul, Dec. 28 (YONHAP)—The government named Kim Yong-hwan, director-general of management and planning at the Home Ministry, mayor of Pusan and Yi Hae-pong, an administration coordinator in the Prime Minister's Office, mayor of Taegu on Friday in a reshuffle of 20 vice minister-level officials.

Hong Son-ki, director of political affairs in the office of the first minister of political affairs, was named mayor of Taejon and Han Sok-yong, a ruling party specialist, was appointed governor of Kangwon Province, Vice Governor of South Chungchong Province Han Chong-su was promoted to governor and Kim Won-sok, presidential secretary for administration, was made governor of South Kyongsang Province.

The government named Kwon Yong-hae, director-general of planning and management in the Defense Ministry, vice defense minister and Yi Pyong-sok, Board of Audit and Inspection (BAI) commissioner, vice agriculture, forestry and fisheries minister.

Other appointments are:

Pak Yong-to, industrial advancement administrator, vice trade and industry minister: Yun Tong-yun, director-general of planning and management in the Communications Ministry, vice communications minister: So Chong-uk, vice president of Korea Telecom, vice science and technology minister: Yi Kyong-sik, third special assistant to the director of the Agency for National Security Planning, vice information minister: Kang Yong-sik, vice information minister, chief secretary to the prime minister: Sim Tae-pyong, governor of South Chungchong Province, chairman of administration coordination in the Prime Minister's Office: Yi Tong-u, vice agriculture, forestry and fisheries minister, director of agricultural and rural development: Yi Tong-hun, assistant trade and industry minister, industrial advancement administrator: An Sang-yong, mayor of Pusan, Korea Maritime and Port Administrator, Pak Song-tal, mayor of Taegu, commissioner of the Board of Audit and Inspection: Yi Tae-hui, director of the armed forces special inspection group, director of the office of military manpower and Chon Hui-chan, consultant to the Agency for National Security Planning, vice minister of Patriots and Veterans Affairs Agency.

Renaming of Delegation to N-S Talks Expected

SK2812100690 Seoul Domestic Service in Korean 0900 GMT 28 Dec 90

[Text] The government is reported to be reviewing the composition of our side's delegation to the South-North High-Level Talks in the wake of the cabinet reshuffle and the upgrading of the minister of National Unification Board to the level of deputy premier.

A government official said: Naturally, No Chae-pong, the acting prime minister, will take the responsibility of our side's senior member as a matter of course. However, if both the prime minister and deputy premier are made members of our side's delegation, it will make the stature of the delegations of the South and the North look disproportionate. So, the government is studying the possibility of excluding the deputy premier or National Unification Board from the delegation.

According to this idea, the government will name a vice minister-level official, instead of Deputy Premier Choe Ho-chung, as deputy head of our side's delegation, the position held by former Minister of National Unification Board Hong Song-chol and Song Ung-sop, first deputy chairman of the of Joint Chiefs of Staff, as the military delegate, which was formerly held by Chong Ho-kun, chairman of the Joint Chiefs of Staff.

Chon's Return to Seoul Set for Morning of 30 Dec

SK2812070590 Seoul YONHAP in English 0618 GMT 28 Dec 90

[Text] Paektam Temple, South Korea, Dec. 28 (YONHAP)—Former President Chon Tu-hwan will come down from his retreat on Mt. Sorak and return to his house in Seoul on Sunday [30 Dec] morning, Kim To-hu, head monk at the temple, said Friday.

"Chon accepted President No Tae-u's request to end his self-imposed exile before the new year after consulting close associates of the Fifth Republic (his former government). He will leave the temple at 9 o'clock in the morning and arrive at his Yonhui-tong house in western Seoul no later than 2 p.m.," Kim said.

Former Agency for National Security Planning Director Chang Se-tong, former chief bodyguard An Hyon-tae and legal adviser Yi Yang-u met with Chon earlier in the day and fixed the date of his return.

Before leaving the temple, Chon and his wife, Yi Sun-cha, will attend a Buddhist service in which more than 50 monks and So Ui-hyon, president of the Choggye Order, will bow 3,000 times to celebrate his departure.

Foreign Minister Says Soviet Apology 'Not Enough'

SK2712054390 Seoul THE KOREA HERALD in English 27 Dec 90 p 2

[Text] Foreign Minister Choe Ho-chung said yesterday that a Soviet apology for its involvement in the 1950 Korean War and the downing of a Korean airliner in 1983 was not enough. Choe made the comment when he met with Kim Tae-chung, leader of the Party for Peace and Democracy [PPD], to brief him on President No Tae-u's Dec. 13-16 trip to Moscow, Kim's spokesman said. Choe was quoted as saying that Korea was unable to get a satisfactory apology for the two incidents, as No's visit to the Soviet Union was too short.

The foreign minister promised to get the Soviet Union to apologize "sufficiently" through diplomatic channels, PPD spokesman Kim Tae-sik said.

According to the spokesman, Kim Tae-chung pointed out that Soviet President Mikhail Gorbachev did not apologize for the past events, and the explanation by Foreign Minister Eduard Shevardnadze was not made public but released by Choe. The PPD leader said the burden of trading with the Soviet Union on a deferred payment basis was likely to be passed on to the public. He also called on Foreign Minister Choe to try harder to persuade North Korea to accept simultaneous entry of South and North Korea into the United Nations.

The spokesman said his party leader accused Amb. Hyon Hong-chu, head of the South Korean observer mission to the United Nations, of causing suspicion that Seoul was putting forth a policy of isolating North Korea by frequently saying South Korea would join the world body on its own if the Communist North refused simultaneous entry.

Pyongyang has persistently refused to join the United Nations, saying to do so would perpetuate the national division, and has suggested sharing a single U.N. membership.

On South Korea-U.S. relations, Minister Choe told Kim Tae-chung that relations between the two countries were not strained, the PPD spokesman said. The minister said he briefed U.S. Amb. Donald Gregg Dec. 10 on President No's historic trip to the Soviet Union.

Name of Security Command Changes

SK2712035990 Seoul THE KOREA TIMES in English 27 Dec 90 p 3

[Text] The government will change the Korean name of the Defense Security Command (DSC) from "Kukkun Poan Saryongbu" to "Kukkun Kimu Saryongbu" [ROK Armed Forces Important Secret Intelligence Affairs Command] effective Jan. 1, according to the Defense Ministry.

The ministry said that change was approved at a Cabinet meeting yesterday afternoon. The English translation of the name will remain unchanged.

Continuing Series on Former North Commander

Yu Song-chol's Testimony Part 11

SK2712055090 Seoul HANGUK ILBO in Korean 14 Nov 90 p 10

[Part 11 in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, cowritten with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**A Protracted War Exceeding "Three Days" .... Advancing Southward Without a Strategy**

Although we expected 6-25 to last three days, in reality it was a war that lasted nearly three years.

In other words, this implies that any war outside of three days was one that was not in the play book of the Korean People's Army [KPA].

The war expanded from a limited war to an all-out war from 1 July, the third day of our occupation of Seoul when the KPA began to advance southward.

The Front Line Command assigned new roles to the First and Second Auxiliary Command Posts. The First Auxiliary Command Post was instructed to go southward along the Kyongbu road [Kyonggi to Pusan] on the Western front while the Second Auxiliary Command Post was entrusted with the central and east coasts. Beyond that, however, operational plans were left to be decided as the situation developed either at the command posts or at the division level.

The KPA had no established fronts, joint operations between artillery and infantry, or even a basic strategy. Each division simply pushed southward on its own.

In spite of this, the high-spirited KPA continued to drive back the National Defense Forces [NDF] like a tidal wave. Although it is true that unlike the north of Seoul where the NDF resistance increased daily, the KPA was easily able to occupy Suwon and Wonju as they headed towards Taejon.

Here, we encountered yet another obstacle which we had not expected—the swift intervention by the United States. With the landing of lead units of the U.S. Army 24th Division on 1 July, the day we had been attacking Suwon, full-scale U.S. participation in the war began.

Kim Il-song Overlooked U.S. Intervention

The worse error in judgment Kim Il-song committed during the war was overlooking the possibility of U.S. intervention. High-ranking cadres such as Choe Yong-kon had warned of the possibility of intervention during preparations for the southern invasion. Kim Il-song strongly rebuked them, saying that they had a "defeatist attitude."

With the transfer of operational control of the NDF from Syngman Rhee to UN Forces Commander MacArthur on 15 July, 6-25 expanded from a limited war to an international war.

The Fourth Division of the KPA was the first to encounter the Smith Battalion, the advance party of the U.S. 24th Division. However, since the task force had not been adequately prepared for combat, they were instantly annihilated. It wasn't until after the combat was over that the KPA even knew that they had faced U.S. soldiers.

The KPA, who now had even emerged victorious in a confrontation with the world's strongest armed forces—the United States—kept their momentum going and captured Taejon on 20 July.

Even the Front Line Command which was at the Seoul Capitol Building moved down to a secluded Buddhist temple in the mountains. (I do not remember the temple name or the location.)

While there, Chief of Staff Kang Kon and myself went out to inspect a river crossing operation of a reinforcement unit at the Kum River. After the inspection, I again encountered another moment of crisis. Chief of Staff Kang Kon and myself, after inspecting some combat unit, were moving along a road along the Kum River on the way to another unit. While riding in the jeep, I gazed vacantly at the clear water of the Kum River which was flowing leisurely even among the confusion of this bloody war.

Suddenly Chief of Staff Kang Kon's jeep, which had been right in front of us, went headlong into the side of the road with a large ear-piercing explosion. They had run over a land mine which the NDF had laid during their retreat. Kang Kon died instantly.

We gathered up Kang's corpse and returned to the Front Line Command. I had to quickly deal with the vacuum in the position of supreme commander caused by Kang's death, having no time to grieve his loss.

The first thing that I had to do was to report the news of Kang's death to higher headquarters. In order to prevent excitement within the KPA, I sent the report off secretly.

I had the Responsibility of Overall Command for One Month

Kim Il-song, having received the report, immediately promoted me to lieutenant general and appointed me as acting chief of staff. Accordingly, I exercised general command over the KPA for one month until the Vice Minister of Education Mun Il was newly appointed to the position of chief of staff.

Even after this incident the KPA continued to advance southward. In early August, they had control of the entirety of the Honam Region and were successful in pushing the NDF and U.S. forces into one span of land south of the Nakdong River line which linked Pohang, Taegu, and Masan.

At this time, all we had to do was advance another 100 km and we would have been able to communize the entire Korean peninsula.

At this critical juncture, however, the KPA was fighting under the worse conditions since the outbreak of war.

In the early stages of war, the KPA surpassed the NDF in all aspects of manpower and equipment. However, as the war became prolonged and the U.S. forces began to participate full-scale, the situation reversed. This reversal took place at the battle of the Nakdong River.

At this time, the indiscriminate air raids by the U.S. forces was the one thing which most tormented the KPA. The U.S. forces, who had total air superiority, mobilized heavy bombers such as the B-29 and B-25 along with Saber jets and bombed not only the forward lines but also the entire rear area, pouring bombs daily on the area. During heavy periods, there were even occasions when over 100 fighter-bombers would be flown at a time to perform carpet bombing.

This indiscriminate bombing created a situation in which the KPA could neither fight nor move during daylight. Rear area support to the front line units also became nearly impossible.

The KPA soldiers, when hearing the sound of the U.S. Saber jets, would call out "ssaekssaeki." As soon as the aircraft sound was heard, one could see the serious neurotic state in which the soldiers were terrified out of their wits.

Even the Sound Terrified the Soldiers

This carpet-bombing strategy struck a fatal blow to the KPA. However, it also inflicted tremendous damage on innocent civilians as well.

Whether Kim Il-song was aware of the predicament the KPA was in or not, he continued to press for the occupation of Pusan by 15 August.

From what I know, during the whole war Kim Il-song made only one visit to the Front Line Command. That was when it was at the Seoul Capitol Building.

Although some insist that Kim Il-song came down as far as Suanbo to inspect the front lines and even bathed in the hot springs there, in my recollection he never did anything like that.

In any case, we concentrated all the manpower we could mobilize into the Nakdong River line and attempted to break through; however, all we did was lose tens of thousands of troops as the situation deteriorated day by day.

In the midst of this, I received the shocking report one day that the U.S. forces had commenced a large-scale amphibious landing operation at Inchon.

At the time, the entire battle force of the KPA was concentrated at the Nakdong River line, so the rear area was virtually wide open. After the war, although some makeshift units were deployed to various locations throughout the rear area, their fighting power was negligible.

As soon as the U.S. forces landed at Inchon on 15 September, the one artillery regiment which singlehandedly had been guarding this location appealed for manpower support from the Front Line Command. However, all we could do was send down the order to "unconditionally fight." In the end, nearly every member of this unit was annihilated in the fighting.

Successful in their landing at Inchon, the U.S. forces together with the NDF simultaneously began counterattack operations along the Nakdong River line. Parts of the line began to collapse.

With tearful eyes we issued the order to retreat to the KPA on 18 September. We decided to create a new line of defense along the Kum River basin and the Mt. Sobaek range and passed orders down to the First Auxiliary Command Post to retreat to the Kum River. By now, the entire KPA communications network was in ruins, and we could not pass the retreat orders past the division level.

Mass Confusion Results From Collapse of Command System

Seoul fell on 28 September, and the new defense lines became meaningless. Each individual was engrossed in fleeing themselves, with the KPA command structure in total collapse. Contact between the Front Line Command and the Auxiliary Command Posts was cut off. Mass confusion set in to the degree that commanders were unlocated.

Kim Il-song had no choice but to have us establish a defense line north of the 38th parallel, and on 1 October a new military command [kun chiwuibu] was established. The commander of the western area was Minister of Defense Choe Yong-kon, while the Front Line Commander Kim Chaek was tasked with defending the eastern area.

It is said that in the process of reorganization, Western Commander Choe Yong-kon even ripped off the rank insignia of the 25th Regiment Commander O Ki-chan for failing in the defense of Seoul while O's own subordinates watched. Later, Choe Yong-kon was serious rebuked by Kim Il-song for failing to defend Seoul. Choe is rumored to have attempted to shift the responsibility for the loss of Seoul to O Ki-chan at this time as well.

However, isn't it only natural that the person who should take responsibility for the defeat is the person who was totally unable to foresee the U.S. intervention or the Inchon landing operation—Supreme Commander Kim Il-song?

We moved the Front Line Command to Tokchon in South Pyongan Province. We desperately tried to halt the northern-advancing NDF and U.S. forces who had broken through the 38th parallel. However, there was nothing we could do with our strength alone.

Just as the South Korean regime was rescued at the last moment from a burial at sea by the United States, it was the Chinese forces entry into the war which saved Kim Il-song's regime at the last moment.

Yu Song-chol's Testimony Part 12

SK2712060290 Seoul HANGUK ILBO in Korean 16 Nov 90 p 10

[Part 12 in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, cowritten with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**Together with Pak Hon-yong I went to Beijing To Request Reinforcements**

The entry of Chinese forces into the Korean war changed the battle situation once again as the conflict transformed into a full-scale proxy war between foreign powers. The Korean peninsula had become an international stage for a showdown not between North and South Korea, but rather between the suzerain states of capitalism and communism.

Having been the drafter of the southern invasion plan for the war, I also participated in the process of the Chinese People's Liberation Army [PLA] entry into the war. The Korean war and I certainly had an ill-fated relationship.

By 15 October 1950, the National Defense Forces [NDF] and the U.S. forces had crossed the 38th parallel and advanced as far as Chunghwa, located directly below Pyongyang. That day, I was called by Chief of Staff Nam Il. Upon arrival at Nam's location, he said, "Kim Il-song wants to see you." Nam took me to Kim Il-song's underground bunker on the outskirts of Pyongyang. I was really worried that Kim was intending to reprimand me for the defeat in the war. Arriving at the underground bunker, I saw that Foreign Minister Pak Hon-yong was already there. After somberly explaining the various aspects of the war situation, Kim Il-song turned to Pak Hon-yong and myself and instructed us to proceed to China to ask their government for "assistance." Kim explained that he had already informed the Chinese Government of our visit.

Thus Pak Hon-yong and I departed Pyongyang that night and after linking up with Yu Min, the chairman of the Sinuiju People's Committee who was tasked with serving as our Chinese translator, we left for Beijing on 18

October via a specially-chartered airplane. As soon as we arrived in Beijing, we were led to the house of Lu Kenghuang, the chief of staff of the first section [pu] of the PLA.

Supported by the Interpretation of Yi Sang-cho

At this point, Yu Min returned to North Korea and Yi Sang-cho provided interpretation assistance. Yi, the vice minister of industry, had come to Beijing to obtain winter clothing for the Korean People's Army [KPA] from the Chinese Government.

That night we went to sleep having been told that we had to wait until the next day to meet with the Chinese leaders. Just as it was about to pass midnight, our Chinese guide urgently woke us, saying "Chairman Mao Zedong is waiting for you."

We followed our guide to the CPC Politburo. Upon our arrival, several members of the Politburo came out to warmly meet us. The people I remember now include Mao Zedong, Zhou Enlai, Kao Kang, Lin Biao, and Peng Dehuai.

After exchanging greetings with our party, everyone took their seats and did not say a word. At this time Zhu De appeared, his body bent over leaning on a cane, and everyone in the room arose and greeted him. This was when I first became aware of the position which the elder Zhu De occupied in the Chinese leadership.

It was at this time that Mao Zedong had Pak Hon-yong explain the reason for our visit to China. After first passing on Kim Il-song's regards, Pak Hon-yong gave almost a one-hour briefing on the status of the war after which he concluded by saying that the assistance of the Chinese was requested.

Following Pak, I arose and gave a detailed explanation of the war situation. In the middle of my briefing, Mao Zedong cut me off and unveiled a military map of the Korean peninsula which was hanging on the wall. I could not help but be surprised after looking at the map, since the situation was quite different than when we had departed. The U.S. forces and NDF had already occupied Pyongyang and had advanced as far as the vicinity of the Korean-Manchurian border.

Therefore, I concluded my remarks by saying, "We need aircraft and antiaircraft weapons."

As soon as our remarks were finished, Mao Zedong began by informing us that the Politburo had already decided to send volunteer forces to Korea.

Mao Zedong Displayed Confidence

Mao also requested that we "explain to the people of Korea the military and political significance of the Chinese forces entry into the war." He then discussed a wide range of issues to include a methodology for forming a combined Korean-Chinese force, translators, deployment, and rear-area support problems. He also showed confidence, stating, "I am going to send General Peng Dehuai as the commander of the Chinese Peoples' Volunteers [CPV], and Kao Kang will be in charge of rear-area support. If you work hand-in-hand with these two men, all of Korea's problems will be solved."

Even today I distinctly recall this meeting. The reason I can is that Mao Zedong used his unique body movements to give various advice regarding the KPA's military strategy. Rising from his seat, he explained, "Let's say that one leg is the U.S. forces and the other leg is the NDF. If we first surround and annihilate the NDF, then the U.S. forces will be helpless" as he raised one leg of his bulky body and hopped around on one foot.

At the time, I believed that these actions by Mao were actually a criticism of Kim Il-song.

As soon as the meeting ended in this fashion, all of the Politburo members arose and bid us farewell. Zhou Enlai, who escorted us to the door, handed us a long envelope and asked us to pass it on to Kim Il-song.

It seems as though the Chinese leadership regarded intervention in the Korean war (against the United States) positively, judging from the atmosphere of this meeting. However, I found out through Kao Kang afterwards that there had been a serious conflict of opinions within the Chinese leadership.

Kao Kang was known as the "Emperor of Manchuria" among the Chinese. Kao Kang was like a warlord who led a large army who was loyal to him throughout Manchuria.

After going together with us on the plane to Shenyang, Kao invited us to his combination office and residence located there. Kao Kang treated us to a meal and informed us that there were arguments within the Politburo both in favor of and against dispatching troops to Korea, and explained the background concerning Soviet intervention.

The Confrontation Between Those in Favor and Those Against Sending Troops

Kao gave Pak Hon-yong a gist of the argument which Kao had presented to the Politburo in favor of sending troops. Kao's argument was that China must cross the border and assist the North Koreans for the security of China as well as for the North Koreans.

According to Kao Kang, Zhou Enlai was the major opponent to sending troops. His argument was that China had not yet been successful in completely unifying the country, and that should the PLA enter the Korean war in their current unpolished state, then it would be possible that the United States might declare war on China.

These two opinions stood in rigid opposition to each other, according to Kao, and when the two sides were unable to reach a conclusion the Politburo sent Zhou Enlai to discuss the issue with Stalin. Stalin actively elicited the support of the Chinese, saying "Since the Soviet Union is not prepared to go to war, China should assist Korea instead."

Regarding the possibility of war with the United States, Stalin frankly expressed his firm opinion that "The United States is currently unable to conduct a large-scale war in Asia. Furthermore, there is no way that the United States could conduct a war in both Korea and China simultaneously."

Zhou Enlai then requested that the Soviet Union assist with air force and antiaircraft weapons along the entirety of the Korean-Manchurian border in preparation for a U.S. attack on China in exchange for the dispatch of the CPV. Stalin happily agreed to do so.

Soviet Forces Amount to 70,000

After reaching this final decision with Stalin on the issue of dispatching Chinese troops to Korea, Zhou Enlai returned to China on the very same day that we arrived in Beijing. After receiving Zhou's report, the Politburo held the meeting in the middle of the night in order to meet with us.

Later, Stalin kept his promise to China by sending three aviation divisions, one antiaircraft gun division, and one independent regiment to the Korean-Chinese border under the command of General Postuv [name as transliterated]. At this time, the number of Soviet troops deployed along the border reached 70,000. Among those, some elements of the air force even directly participated in the war by crossing in North Korean territory and conducting operations.

When we crossed the border and came into Sinuiju, we witnessed from afar the advance units of the PLA crossing the border. I realized then that China had already concentrated units along the border for some time in preparation for entering the Korean war. It may be that the Chinese believed that their security was threatened the moment the U.S. forces and NDF crossed the 38th parallel.

As I watched the CPV crossing the border, Pak Hon-yong turned to me to speak.

He asked, "Comrade Yu. Why don't those soldiers have weapons?" Looking closely out the window, I noticed that only one of every four or five soldiers had a rifle, and that the rifles were old Japanese rifles.

I instantly realized that this was merely an advanced unit without weapons, and reassured Pak Hon-yong that "The weapons will soon arrive." The Chinese were crossing the border with all of the military equipment loaded onto handcarts, with three people pulling in front and two people pushing from the rear. This scene showed us the fighting potential of the Chinese forces.

Yu Song-chol's Testimony Part 13

SK2712062790 Seoul HANGUK ILBO in Korean 17 Nov 90 p 10

[Part 13 in a series by Yu Song-chol, former Operations Bureau Commander in the North Korean Army, cowritten with Yonsei University Professor Choe Pyong-kil: "My Testimony"]

[Text]**Kim Il-song Forfeits Leadership With the Entry of the Chinese Forces.**

When I returned to North Korea bearing the good news of the Chinese Peoples' Volunteers [CPV] entry into the Korean war, the South Korean National Defense Forces [NDF] were already occupying Pyongyang.

Pak Hon-yong and I went to visit Kim Il-song—who had fled to Tokchon, South Pyongan Province—and reported the results of our visit to China. Kim grabbed my hand and elatedly said, "Comrade Yu Song-chol, thank you very much."

That day, Kim Il-song also met with Peng Dehuai, commander of the Combined Korean-Chinese Forces. They extensively discussed a strategy for a counterattack.

Following Mao Zedong's recommendation, Kim Il-song appointed Minister of Interior Pak Il-u as the deputy commander of the Combined Korean-Chinese Forces. Because of his experience on the long march with Mao Zedong, Pak Il-u enjoyed Mao's special confidence.

Pak Il-u would later be purged, however, with his adherence to Chinese-style military tactics and factionalist activities cited as reasons.

Kim Il-song lost his command of the war with the entry of the CPV.

The CPV was primarily responsible for the central front, conducting operations independently. The Korean People's Army [KPA] fell into a support role, responsible for the Eastern front.

The CPV entered the war from 19 October. However, since the CPV had secretly moved into position, it is said the that United States was not aware of Chinese involvement in the war until the end of October.

The military tactics of the CPV were rather distinctive.

In order to avoid observation by U.S. planes while moving into North Korea, the CPV moved only at night along the mountains. During the day, they slept in trenches. In actual combat, after drawing the enemy deep into their own territory, they simultaneously attacked the enemy's front and rear areas while blowing whistles and bugles and beating gongs. They also attacked in waves while maintaining close formation, sometimes called human wave tactics.

The KPA enhanced their combat capabilities as well. Remnants of the KPA which were in Manchuria together with Korean nationals living there formed three new corps.

The CPV joined the combat in full on 25 October, first cutting off the retreat route and then attacking the NDF, who had advanced as far as Mt. Cho on the Amnok River.

The U.S. forces and NDF, bewildered after learning about the entry of the CPV into the war, were pushed all the way back to the Chongchon River basin. The KPA and CPV continued to push and on 06 December, Pyongyang was recaptured.

As soon as Pyongyang was recaptured and the tide of the battle shifted again in favor of North Korea, Kim Il-song opened the Third Joint Plenum of the Central Committee of the Workers Party of Korea [WPK] on 21 December in Kanggye, Chagang Province (northern section of North Pyongan Province). The meeting, the first since the war began, was held to assess the war developments of the past six months and to establish a new strategy.

At this meeting, Kim Il-song made a lengthy speech bitterly criticizing mistakes made by the cadres of the KPA.

Kim Chang-man, the party Central Committee vice chairman drafted the text of Kim Il-song's speech. Kim Chang-man had been a cadre of the Korea Independence League as a Yenan faction member before returning to North Korea. Kim was an outsider to military matters, becoming the vice chairman of the party Central Committee after serving as the chairman of the Central Committee's Propaganda Department.

Kim Chang-man drafted the text of Kim Il-song's speech, assessing the war as he saw fit, with absolutely no discussions with the KPA General Staff Department.

In this speech, Kim Il-song emphasized the necessity of a purge. Kim stated, "Party members who are loyal or disloyal have been exposed in the course of the war. We need to strictly prohibit such disloyal members within the party regardless of their positions."

The first victim was Kim Il, the commander of the Cultural Training Bureau of the KPA. Kim Il-song started out this meeting by having the Front Line Commander Kim Chaek (serving concurrently as the Eastern Region Commander) and myself sit with him as he summoned Kim Il. Kim Il-song questioned Kim Il whether it was true that in the middle of the war he had said it would be difficult to conduct combat operations without airplanes. Kim Il admitted that it was true without saying a word. Accordingly, Kim Il was severely criticized at the plenum and was stripped of his positions. Aside from Kim Il, other partisans such as Choe Kwang and Yim Chun-chu were relieved from their positions. Yenan faction member Mu Chang and Ho Song-taek from the South Korean Worker's Party were also strongly called to task by Kim Il-song.

Mu Chang had already been dismissed from his position as commander of the Second Auxiliary Command Post due to his failure in the defense of Pyongyang and his arbitrary shooting to death of subordinate officers. With this meeting, he was buried for eternity.

While all of this was going on, the Korean war greeted the new year. The KPA and the CPV reoccupied Seoul on 4 January 1951, and by April 1951 had the upper-hand as they continued their offensive with the battlefield advantage. However, as the U.S. forces and NDF began another counter-offensive, the battle gradually fell into a stand-off. It was a repetition of tedious push and be-pushed battles concentrating on Seoul and the entirety of what now is the armistice line. It was a situation in which neither side could claim ultimate victory.

Eventually Malik, Soviet ambassador to the United Nations proposed a cease-fire to both sides and cease-fire talks began on 10 July 1951.

Chief of Staff Nam Il served as the senior North Korean representative to the cease-fire talks, as I again became acting chief of staff.

Even after the cease-fire talks commenced, both sides continued even fiercer combat in hopes of occupying more advantageous high ground in the negotiations. The U.S. forces and NDF conducted spring and fall offensives on several occasions.

The cease-fire talks were prolonged by North Korean insistence that the military demarcation line [MDL] be restored to the previous 38th parallel, while the United States insisted that the current contact line be made the MDL.

Additionally, while the actual main actors in the cease-fire negotiations, the United States and China, both desired a quick end to the war, neither North or South Korea desired an end to the war in a state in which neither side had achieved any success.

The Syngman Rhee regime in South Korea openly opposed a truce. Rhee incited the citizens of South Korea, who actually staged demonstrations against a cease-fire.

Although I have no way of knowing Kim Il-song's attitude towards the cease-fire negotiations, it was at least clear that he did not prefer a truce. Kim insisted that even if the war was ended, it could only be ended after he first grabbed hold of Seoul. Kim, however, ran into Peng Dehuai's opposition and eventually accepted a proposal ending hostilities with the armistice line as the MDL.

On 23 July 1953, an agreement ending hostilities was finally concluded and the curtain came down on the three-year-old war.

When I look back on 6-25, I cannot help but question "What in the world was this war about?"

Altogether, it is said that some four million Koreans and foreigners were sacrificed in the war. Furthermore, the war virtually reduced the Korean peninsula to ashes.

However, all the only change resulting from the war was a few kilometers of the MDL.

As for the harm done to the Korean peninsula, the war planted animosity between North and South which will be hard to mend while making national reconciliation and peaceful unification between the two countries remote. Additionally, the war resulted in an even greater dependency on foreign powers in resolving the issue of the Korean peninsula. These results were even more important than the physical damage inflicted by the war.

Internationally, 6-25 touched off the East-West cold war, causing countries to waste their valuable resources in military build-ups instead of devoting it to the welfare of their citizens.

The responsibility for this historical sin must be assumed by Kim Il-song, who provoked the war. Kim, caught up in his own wild ambitions to become the leader of the whole Korean peninsula, thoughtlessly perpetrated this tragic war. Even if Kim Il-song had had a genuine intention to unify his fatherland, the results would have been the same.

However, even after the war was finished Kim Il-song purged and killed numbers of North Korean leaders and made North Korea his own personal monarchy.

From North Korea's perspective, those purged by Kim Il-song—to include Kim Tu-pong, Ho Ka-i, and Pak Il-u—were all better revolutionaries and patriots than Kim Il-song, with more combat experience and ability.

I also would like to state that I feel that Syngman Rhee must also assume part of the responsibility for the war. It is undeniable that he flagrantly advocated unification through marching northward, installing fear in North Korean citizens and eventually providing North Korea with an excuse to invade the South.

Of course, having prepared the plans for the war, I myself must also naturally assume heavy responsibility for the war.

I would like to take this opportunity to get down on my knees and beg forgiveness from those who were sacrificed or who have come to suffer the anguish of separation because of the war. Just as one person who I came to meet on this visit to South Korea said to me, clearly I am a criminal who cannot even travel around Seoul safely. I intend to live what little life I have remaining repenting with all of my heart the criminal acts against our people which I have committed.

Summary of N-S Soldiers' Border Dialogue

SK2712125490 Seoul CHUNGANG ILBO in Korean 22 Dec 90 p 16

[Article by reporter Yi Il-hun]

[Text] Recently, the ROK Army Headquarters released a booklet containing the contents of conversations between the soldiers of North and South Korea who are separated by barbed wire, through live voices or loudspeakers from the armistice to the present time. This booklet is divided into eight sections consisting of 30 items. We will judge the current situation for reunification through the North-South dialogue of the soldiers. The following is a summary of the booklet.

Idolization of Kim Il-song

South: We have heard that Kim Il-song has supernatural powers.

North: When General Kim Il-song was 12 years old he crossed the Amnok River by riding on an oak leaf and struggled to achieve the reunification of the fatherland.

South: Who do you think is greater, Kim Il-song or God?

North: If God is in a high position, then the president is recognized as the sun.

Chuche Idea

South: The Soviet Union which is a suzerain kind of communism, is working to achieve political democratization by even establishing consular-level diplomatic relations with the ROK which is a free nation, without being bound by ideology. Then, how come North Korea is still the same as before?

North: We have never heard of the news that the Soviet Union will establish diplomatic relations with South Korea. On the other hand, isn't it you, South Korea, that is making useless efforts to achieve close relations with the Soviet Union?

South: Since we have freedom of speech and the press we can buy books on the communist bloc or books related to North Korea as we please and read them. Out of curiosity, I read a book on the chuche idea. However, I was able to confirm that it was full of fabrication and deceit.

North: However you rattle on about our chuche idea, the chuche idea, which the people of the world are reading about, is the greatest idea.

Political System

South: As can be seen in the reforms that took place in the East European bloc, as time passes, it is being proven that a capitalist nation is superior to a socialist nation in all fields including the political and economic fields.

North: Socialism will surely be victorious. Currently South Korea's people in general are leading a miserable life. This at once shows the corruptness of capitalism.

Election System

South: When I turn 40 I plan to run for president of Korea under any circumstances. Do you have any intentions of becoming a president?

North: How can we even dream about being a president when the North has the great General Kim Il-song and dear leader Mr. Kim Chong-il?

South: There is no country in the world where 100 percent of the people vote and 100 percent of the people cast a favorable vote. It seems that it will be inevitable for about 200,000 people in the North who will not be able to vote because they are either abroad or very sick.

North: We believe that rather than having plural candidates it is better to have one candidate; 100 percent of the people voting; and 100 percent of the people casting a favorable vote. Also, what is the use of giving the right to vote when that person has committed an illegal act? If 50 or 100 people or even more cannot vote because they are busy, this still means that they are in the minority among all the people.

Since this number of people are below the decimal point when calculating this, it will still be 100 percent even though those under the decimal point are eliminated.

Trade

South: The ROK has grown to become one of the 10 biggest trading nations of the world and is achieving a trade surplus of $10 billion annually.

North: Even though money is being earned economically, that money is being exploited by the U.S. imperialists and since the rich rascals take it away, there is nothing for the people. They are suffering from poverty. So don't make useless boasting.

South: The amount of export in the South amounts to $61.8 billion. Only North Korea calls our economy a colonial economy.

North: Since North Korea is carrying out a self-supporting economy we are able to give aid to foreign countries but we don't need to receive any help at all from foreign countries. However, since South Korea is carrying out a colonial economy of the U.S. imperialists, aren't you beggars who have to receive help from abroad?

On Food, Clothing, and Shelter

South: We are told that they sold beef from 60,000 cows at the department stores in Seoul during Chusok this year.

North: How hungry the South people must have been to eat such a large amount of beef at the same time during the holiday!

South: In the free Korea, there are many vending machines at various places, and once you press the button, you can instantly get tea, ramyon, etc. Is there anything like that in North Korea?

North: There is no machine in the world from which you can get something you want by just sitting still.

South: According to a cadre of the General Association of Korean Residents in Japan [Chongnyon] who has been to North Korea, most of the houses in the rural areas of North Korea are worn out and even such houses are in such short supply that seven or eight people live in a small two-kan house.

North: Do not babble about fabricated facts to slander the northern half. We have long since solved the problem of food, clothing, and shelter.

On Medical Care

South: Our medical insurance system enables all the people to receive the benefit of medical care.

North: In our Republic, medical care is given free of charge, and the patients do not visit the hospital but the doctor visits the patients to treat them. The people sing that thanks to the great leader's benevolence and the free medical care given by the dear leader Kim Chong-il, they can enjoy young age for 60 years and are as healthy and strong at 90 as if they were 60 years old.

On Living Conditions

South: We are told that you cook meals on electric boilers in North Korea, but we in the South simply press a button to make a fire on the gas range to cook rice, soup, etc., and broil fish, etc., on an electronic range.

North: Where in the world is there a country where they cook rice with gas?

South: We hear that you have more foreign goods since the Pyongyang meeting.

North: The people had had little opportunity to use foreign-made goods before the Pyongyang festival, but they came to know the usefulness of foreign goods thanks to it. They came aware of the need for household electronic appliances, in particular.

On Regimented Life

South: Based on North Korean criminal law, anyone who secretly communicated with us is punished without exception, and the antistate criminals are subjected to forced hard labor confined in the special area of dictatorship without any trial given.

North: Our criminal law provides for punishment for those who encroached upon the interest of the North

Korean people, but it has no provisions for punishing those who are involved in the reunification issue.

On Social Crime

South: We hear that thefts of food, clothing, and necessities of life frequently take place.

North: We do not know of any thefts in North Korea because good morals and manners unique to our nation are practiced faithfully.

South: We hear that in North Korea, the security personnel do not intervene in a group quarrel unless one of the residents is killed in the quarrel.

North: It is the one who is beaten in the quarrel that suffers the loss. The people do not care for the individual's private affair. We are only interested in carrying out the revolutionary tasks.

On Control of the Press

South: The responsibility of the press is to help the people make right judgments by helping them distinguish right from wrong. Do you think it proper not to report things because it is not good news?

North: We think that the press should be controlled to guide the people in the right direction. In South Korea they massively report accidents and incidents of various forms. This contributes to an increase in such occurrences.

South: Why does North Korea daily criticize the social irregularities in South Korea in newspapers and broadcasts, never reporting on your own social irregularities?

North: It is natural that we should report and broadcast only what is necessary for socialist construction.

On School Education

South: All the education in North Korea—education of children to university students—is aimed at idolizing Kim Il-song.

North: If our leader Kim Il-song holds sand in his hand and releases it, it is changed into rice, and if he throws a pine cone, it is turned into a hand grenade and explodes. Where can there be any better education than that?

Brunei, Malaysia, & Singapore

Malaysia

Minister on Return of Students From Mideast

BK2812082090 Kuala Lumpur International Service in English 0800 GMT 28 Dec 90

[Text] The Education Ministry is making efforts to bring back all Malaysian students in West Asia before the situation in the Gulf worsens. Deputy Education Minister Dr. Fong Chan Onn said they include those sponsored by the government and private sectors. They will be brought back with the cooperation of the Malaysian Embassy in the countries concerned.

Dr. Fong told a news conference in Kuala Lumpur that there are four government-sponsored students in Syria, 25 in Egypt, 15 in Morocco, and 55 in Jordan. The government hopes to bring the students home before January 15—the deadline given to Iraq by the United Nations to withdraw from Kuwait. The U.N. resolution allows the United States and its allies to use force against Iraq if it fails to withdraw from Kuwait by that date.

Commentary Criticizes Developed Nations' Policies

BK2412105590 Kuala Lumpur International Service in English 0800 GMT 24 Dec 90

[Station commentary]

[Text] Malaysian Foreign Minister Datuk Abu Hassan Omar delivered a graduation day address at the California State University in the USA recently. The minister spoke of several aspects of Malaysia's foreign policy. He also spent some time giving his perception on the present international situation covering both the political and economic dimensions. Datuk Abu Hassan criticized the powerful industrialized nations for their harsh attitude. They are simply refusing to bring down various schemes and arrangements that protect their home industries. They do not want competition from developing nations, particularly as far as their manufactured goods are concerned.

All the hopes that have been pinned on the famous Uruguay Round of bilateral trade negotiations have failed. It was not as though the parties attending the talks were unaware of the purpose of the negotiations; after all, the entire exercise was spread over a span of four years. Of the dangers that the failure of this Uruguay Round will probably mean is a drift to more rigid and inward-looking trading blocs. It was precisely that phenomenon that characterized international trade in the 1930's. Many who listened to or read the minister's remarks would have recalled the typical attitude of [words indistinct] neighbor that marked the years before the outbreak of the Second World War.

Under the circumstances, the developing nations have to devise more self-help schemes. Also, they have to start more trading and all manners of exchanges of goods among themselves. This is why Malaysia's determination to promote greater intra-ASEAN economic contacts is making a good impact. The Malaysian prime minister's brainchild, the South-South Commission, is another agent of change with much potential for the future.

On the West Asia crises, the foreign minister called for the United Nations to be seen as an even-handed and impartial instrument for dealing with the Palestinian issue. He reiterated a few points that had been widely disseminated by the Arab nations as well as some other UN members. The UN Security Council has every right to pass resolutions on the Gulf crisis. It is also authorized by the provisions of the UN Charter to call for sanctions and the use of force. All that has been done, but all this is in marked contrast to the political stalemate as far as action on Palestine is concerned. The legitimate aspirations of the Palestinians have been overlooked for several decades, although their problem, too, has serious implications for regional and world peace.

Datuk Abu Hassan Omar's speech in California is an example of the growing external [word indistinct] role that Malaysia is playing. As the country achieves greater economic growth and exports goods to more countries, it will play an even greater part in the international economy. The total impact will be great indeed.

Commentary Reviews Decline in Trade Surplus

BK2712092090 Kuala Lumpur International Service in English 0800 GMT 27 Dec 90

[Station commentary]

[Text] There was a sharp decline in Malaysia's trade surplus during the first three quarters of this year. According to the Statistics Department, the country's trade surplus in the first 9 months plunged to 183.8 million ringgit which is 97 percent [as heard] lower than the 6.05 billion ringgit recorded in the same period last year. Total exports rose by 13.5 percent to 56,403 million ringgit, while total imports increased by a hefty 28.9 percent to 56,219 million ringgit.

One of the factors that contributed to the sharp rise in imports was a strong upsurge in imports of capital and intermediate goods such as machinery and transport equipment and manufactured goods which together accounted for about 74.4 percent of the increase in total imports. Crude petroleum has retained its position as the top revenue earner among primary export commodities. The export earning of this commodity recorded a 13.7 percent increase, accounting for 6,403 million ringgit during the first 9 months. The rise in the export of crude petroleum has come about as a result of the combined factors of increased export volumes and the rising oil prices due to the Gulf crisis. It is fortunate that Malaysia has an abundant crude oil reserve which has enabled it to meet the needs of developing countries whose oil imports were affected by the conflict in the Gulf.

While ASEAN, Japan, the United States, and the European Community have remained Malaysia's leading trading partners, she continues to establish bilateral trade relationship with less developed countries, especially in the Pacific region—Fiji and Papua New Guinea among them. The trade expo to be held in Fiji from 25 May to 2 June next year will afford an opportunity for the islanders in the Pacific rim to be introduced to Malaysia's various products such as palm oil, chemicals, medicines, printing material, food products, etc. The Ministry of International Trade and Industry is making every effort to encourage as many Malaysian manufacturers as possible to exhibit their products at the expo. The ministry is also in the process of getting Malaysia to be included in the international trade fair in Venezuela from 8 to 17 April 1991. If the efforts succeed, then Malaysian-made products will soon be finding their ways into the Venezuelan markets.

Malaysia does not consider the decline in its trade surplus in the first three quarters of the year as a disturbing or discouraging factor. There is a definite rise in the country's total exports, while there is also a strong upsurge in domestic demands. With more and more countries getting to know the quality of Malaysia's products like apparel and trendy accessories, plywood, sawn timber apart from crude petroleum and liquiefied natural gas, Malaysia expects its trade surplus to regain its momentum.

Singapore

Taiwan Premier Arrives on Private Visit

OW2612083390 Tokyo KYODO in English 0739 GMT 26 Dec 90

[Text] Singapore, Dec. 26 KYODO—Taiwanese Premier Hao Po-tsun arrived in Singapore on Wednesday on a four-day visit escribed as private.

Hao arrived at the airport with his wife and senior officials, including the director general of the Government Information Office, S. Yu-ming, and the vice chairman of the Council for Economic Planning and Development, Chang Lung-sheng.

The visit is the first by a high-ranking official from Taipei since Singapore and Beijing established diplomatic relations in October.

Taiwanese sources said Hao is likely to meet Singapore Prime Minister Goh Chok Tong, former Premier Lee Kuan Yew, who is now a senior cabinet minister, and president Wee Kim Wee.

Singapore and Taiwan maintain friendly contacts although they do not have diplomatic relations.

Singapore sends its armed forces to Taiwan for training, while its officials regularly visit the country on private visits.

Premier Goh Receives Thai Armed Forces Commander

BK2712115690 Singapore Domestic Service in English 1100 GMT 27 Dec 90

[Text] The Supreme Commander of the Royal Thai Armed Forces, General Sunthon Khongsomphong called on the prime minister, Mr. Goh Chok Tong, at the Istana [Palace] this afternoon. Also present was the senior minister of state for defense, Mr. Lee Boon Yang.

Gen. Sunthon is on a three-day visit at the invitation of the Singapore Armed Forces [SAF] chief of defense force, Lieutenant General Winston Choo. This is his first visit here since he assumed the appointment last year. A Defense Ministry statement says the visit reflects the close ties between the SAF and the Royal Thai Armed Forces.

Cambodia

PRACHEACHON Commentary on Memory of Pol Pot

BK2712121690 Phnom Penh SPK in English 1100 GMT 27 Dec 90

[Text] Phnom Penh SPK December 27—In their three-year eight-month and twenty-day rule over Cambodia, the Polpotists took the lives of more than three million Cambodians and upset all social structures in the country, causing untold spiritual and physical sufferings to the entire Cambodian people: starvation, ruthlessly forced labor, family separation, threat of death... They treated Cambodians as deaf and dumb slaves.

This was recalled by the PRACHEACHON semi-weekly newspaper, organ of the People's Revolutionary Party of Kampuchea Central Committee, in its latest commentary.

PRACHEACHON said:

"Such bitter experiences are still fresh in the mind of every Cambodian.

"After the country's liberation, the Polpotists have not given up their subversion and sabotage against the Cambodian people's revival and peaceful life. Following the withdrawal of all Vietnamese volunteer troops from the country more than a year ago, the world public has come to realize the unchanged die-hard attitude of the Pol Pot genocidal clique. The Polpotists remain barbarous, while Sihanouk and Son Sann are still consorting with them and cannot prevent their return to power.

It continued: "Over the past nearly 12 years, only the Phnom Penh government, Army and people have proven capable of preventing the Polpotists comeback. To end the war in Cambodia requires effective measures against any possible return of the genocidal clique, measures to dismantle Pol Pot's organisation politically and militarily and bring their ringleaders to trial.

It also requires measures to enforce a voluntary ceasefire and cease outside military aid in order to guarantee a secure and neutral environment for the election.

"A military dissolution or disarmament is not practical, because it will cause social instability, and also because the three Khmer coalition factions will try to maintain their Armed Forces one way or another in an attempt to dominate.

"Free, general elections must be organized under the UN auspices and [word indistinct]. In the transitional period the governments of the two Khmer sides must be maintained to continue their function in keeping public order and social security for the daily life of the Cambodian people. The United Nations and the Supreme National Council are not entitled to dissolve the two governments.

"The United Nations is fully obliged to oversee the free general elections but it has nothing to do with the administration of Cambodia. Cambodia has been a UN member since 1955, therefore any solution to the Cambodian conflict must respect the sovereignty and the right to self-determination of the Cambodian people on the principles of the United Nations' Charter, and guarantee the non-return of the genocidal Pol Pot clique which is the biggest obstacle to a peace settlement."

"The Cambodian party, government and people warmly welcome the international community's efforts in the process of peace solution in Cambodia, but we will never slacken our vigilance and let the Polpotists come back again. We want a real and lasting peace for the freedom and happiness of the Cambodian people," the paper concluded.

Article Views Election Preparations

BK2812025790 Bangkok BANGKOK POST in English 28 Dec p 15

[Article by Jacques Bekeart under the rubric "Cambodian Diary" entitled: "Unending Wait for Peace"]

[Text] Phnom Penh—The municipal authorities of Phnom Penh have decided to paint the traffic lights bright silver. The Sukhalai Hotel will have an elevator by the end of the year. The riel is fairly stable, at 600 riel for a dollar. The cost of a car ride from Ho Chi Minh to Phnom Penh has been reduced to US$200 for one, US$250 for two passengers. This is the good news.

But rice is more expensive than ever, and the war goes on... the war goes on. That is the single most important piece of bad news for the Cambodian population. "Every time I hear on VOA that peace negotiations have failed, I have nightmares, I cannot sleep, I lose hope in the future of my country and my family," says an old friend. The Voice of America has a daily programme in Khmer and seems to be the main source of information for most Cambodians. And the news is rarely good.

The quasi end of Soviet and East European assistance is creating serious financial difficulties for the regime. A deputy prime minister of the Soviet Union was in Phnom Penh for two days, on December 10-11, for the Seventh Inter-government Session on Economic Cooperation. "The new agreements will be based on a respect for mutual interest," said Ms Som Kim Suor, a member of the Central Committee of the ruling People's Revolutionary Party of Kampuchea (PRPK) and editor of the party newspaper PRACHEACHON, who took part in the negotiations.

In other words, almost everything will be paid for in hard currency. "Indeed the nature of our cooperation will change," explained the new Soviet ambassador to Cambodia, Youri Myakotnykh. "But as the country is still in a period of war, we have to provide at least some assistance. We have our own limitations, but we will continue to assist."

Soviet relations with Cambodia, he said, will be similar to those between the USSR and Vietnam or Laos. "But because of the embargo, Cambodia is also a special case. We have to offer oil and fertiliser. If we don't, it is not so much the regime that will suffer, but the population."

The ambassador admitted the total amount of Soviet assistance has not been determined yet, since it has to be approved by the Parliament in Moscow, and one can imagine that for most Soviet politicians facing angry and hungry constituencies at home, Cambodia is not on the top of the list of things to be done immediately.

"We are also encouraging contacts between Soviet and Cambodian enterprises," said the ambassador. Will that be enough to keep the country going? To keep the Cambodian People's Armed Froces (CPAF) fighting?

"If the other side continues to benefit from weapons from China we have a right to receive military aid form other countries," insists Lieutenant-General Ke Kimyan, the first deputy minister of defence and chief of staff of the CPAF.

No one, in Phnom Penh or Hanoi, has great hopes for a quick solution to the tragedy. No one expects any miracle to take place in Paris. And there is certainly no great enthusiasm among PRPK leaders for the documents released by the Perm Five in Paris on November 26.

"Combodian leaders have been especially shocked by the suggestion that representatives of the United Nations Transitional Authority for Cambodia (UNTAC) would be present in each office and have the right to fire whoever they find unsuitable for the job," said a senior Vietnamese diplomat in Hanoi.

The view from Phnom Penh is certainly quite remote from decisions made in New York or Paris. The more the UN wants to have power during the transitional period, the more resistance there is in Phnom Penh. It is usually expressed in terms of "National Sovereignty," but can be translated into "foreign interference in our own business."

"We have to make sure the progress made by the revolution is preserved," said Ms Som Kim Suor. To most officials, especially party officials, it means "we want to keep our jobs."

It is a fairly understandable feeling. They resent the idea of having scores of foreigners taking over the country under the UN banner. Most officials are also sincerely afraid of the Khmer Rouge—Another feeling which is quite understandable and that has probably not be sufficiently addressed by the international community.

The majority of the population does not seem to resent the improbable massive arrival of the UN, and believes that the greater the UN role the better the chance for peace. But decisions are made by the leadership. Mr Hun Sen already got in trouble with his colleagues at the Politburo for making to many concessions to the resistance and the Perm Five.

Even if soldiers are told to be ready for more fighting, if nurses and doctors are now trained for battle situation, the party and the government are also preparing for possible elections.

High-ranking officials are sent to the countryside for two-week propaganda sessions. "This has nothing to do with elections," said an official in Phnom Penh. "We want our senior cadres to be better aware of the life of the ordinary people."

True, the party has lost touch with the wishes and opinions of the population, but the mission of the cadres sent a la base (toward the rank and file) is to explain the party line; to make sure that people do not believe what they hear on VOA.

"We have to counter the propaganda of the enemy," said a cadre as he was about to leave for some remote district in Pursat. "We have to explain who they should vote for, if there are elections."

The Khmer Rouge too are busy with their electoral campaign, sources in Phnom Penh and the provinces believe. "They are promoting Khieu Samphan as the future leader of Cambodia," said a military source in Kompong Speu. In some villages the Khmer Rouge have even organised referendums.

PRPK officials admit that at the moment the chances of the party are not that good. Corruption among civilian and military cadres is tremendously unpopular and we are now paying the price for what we allowed in the past," said a senior cadre after coming back from his two weeks in the countryside.

Prince Sihanouk is still the most popular man in Cambodia. "Every time I go to a village, people talk about Sihanouk," said a Khmer-speaking foreign researcher. Phnom Penh does not fully accept the UN plan, especially as detailed in Paris last November, Soviet and Vietnamese sources say so. But at least they have accepted the risk of free and fair elections.

If China and the Khmer Rouge are frequently accused by officials of blocking the peace process, the ordinary people appear to often blame their own government. What seems clear in Phnom Penh is that no matter how brilliant the Perm Five plan is on paper, it will be very hard to have it fully accepted by the local leadership. Even Vietnam is probably not in a position to force the Cambodian leaders to fully agree with the Perm Five.

Phnom Penh's reluctance is hardly a matter of ideology. Marxism-Leninism, to which party's documents often refer, means very little to the politburo. The leadership of the State of Cambodia perceives the recent documents of the Perm Five as anti-Phnom Penh. "They resent being the only one blamed for the present problems faced in the negotiations for a settlement," said the Soviet ambassador. A bit of fairness is needed, he added.

"Most of the people working on a solution to the Cambodian problem are undoubtedly full of goodwill, but they have little idea of what Cambodia is really like," said a senior Vietnamese source. The solution has to be worked out among Cambodians, he said, and it will take some time.

Khieu Samphan Discusses Paris Meeting Results

BK2812022490 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 27 Dec 90

[Interview with Khieu Samphan by unidentified correspondent on outcome of 21-22 December meeting in Paris; dated 26 December—read by announcers]

[Text] [Announcer] We are the representatives of the Voice of the National Army of Democratic Kampuchea. We would like to ask Your Excellency about the results of the meeting in Paris between the four Cambodian parties and the cochairmen of the Paris conference on 21 and 22 December.

[Khieu Samphan] This meeting in Paris achieved two big results. The first one: the tripartite Cambodian national resistance forces, the cochairmen of the Paris conference, and the world have forced the Phnom Penh puppets, and through this Vietnam, to accept once again the framework document of the five permanent members of the UN Security Council [UNSC] dated 28 August 1990. Vietnam and its puppets were forced to accept this document once already at the meeting in Jakarta on 10 September 1990; however, later on, Vietnam and its puppets and lackeys rejected it and carried out maneuvers to successively destroy this document. They issued a memorandum and statements openly opposing it. The world has now dragged them to Paris and forced them to accept once again the UNSC framework document. They have been been forced to accept the UN peacekeeping force and its supervision over the withdrawal from Cambodia of all types of Vietnamese aggressor forces; the gathering and disarming of puppet troops; and the dissolution of the puppet army and all types of puppet armed forces. Furthermore, Vietnam and its puppets have been forced to accept the UN transitional administration, which in collaboration with the quadripartite Cambodian Supreme National Council [SNC], will administer and control Cambodia during the transitional period until the elections to be organized and controlled by the United Nations.

At the meeting in Paris on 21 and 22 December, the puppets were at a loss and defeated. They tried to find ways to avoid the meeting and to avoid declaring acceptance or rejection of the UN peace plan; however, they could not avoid the world pressure that is around them. They were presured to go to Paris. Upon arriving in Paris, they were pressured to accept once again the UN framework document. This is the first big result that clearly confirms that Vietnam and its puppets and lackeys certainly cannot avoid the document of the five permanent members.

The second big result is that the process to solve and end Vietnam's war of aggression in Cambodia has been forced to move forward. At this Paris meeting, a decision was made to forward these two documents—the 28 August and the detailed 26 November documents of the five permanent members—to the Coordinating Committee. Vietnam has been forced to take part in the meeting of this Coordinating Committee to be held shortly.

This Coordinating Committee has the task of working out the final details of the documents for implementation; these are to be signed by the foreign ministers of the 19 countries in the framework of the Paris conference, which is to be convened following the meeting of the Coordinating Committee.

Vietnam and its puppets and lackeys have been maneuvering to resist and hinder this process and prevent it from solving Vietnam's war of aggression in Cambodia politically and comprehensively. They cannot oppose it now. In the future, they will also be unable to resist it. The world current is to solve and end Vietnam's war of aggression in Cambodia. The world needs to solve and end Vietnam's war of aggression in Cambodia which threatens peace and security in the region and has trampled on the UN Charter and international law for the past 12 years.

For 12 years, the Cambodian people and the Cambodian national resistance forces have been struggling against the Vietnamese enemy aggressors and those who betray the nation and act as Vietnam's lackeys. The Cambodian people have bogged down the Vietnamese aggressors and their puppets and lackeys. The Cambodian people in and outside the country need independence, peace, and the country's liberation from the grip of Vietnam the aggressor. Now we have got the documents. These are the result of our Cambodian people's 12-year struggle. These are the result of successive international efforts to end Vietnam's war of aggression in Cambodia. In the future, the Hanoi Vietnamese aggressors and their puppets and lackeys still have many more tricks to destroy the documents and continue the war of aggression and occupation in Cambodia.

The results of this Paris meeting clearly show, however, that the Vietnamese enemy aggressors and their puppets and lackeys have been cornered by the Cambodian people's great united forces and the world forces; they cannot avoid the five permanent members' documents. The process to solve the Cambodian problem is moving forward step by step.

I would like to take this opportunity to express profound thanks to the ASEAN countries, the Paris conference cochairmen, the UNSC permanent members, the UN Secretary General, and all peace- and independence-loving forces the world over for persistently assisting and supporting the Cambodian people's cause for national independence and for striving to solve and end Vietnam's war of aggression quickly on the basis of the document of the UNSC five permanent members, the 10 September Jakarta joint statement which requires that Samdech Norodom Sihanouk be chairman of the SNC, resolution 668/1990 of the UNSC, the peace plan of the five permanent members and the Paris conference cochairmen dated 26 November, and the 23 December 1990 Paris joint statement.

Prince Praises Positive Results of Paris Talks

OW2712163690 Beijing XINHUA in English
1602 GMT 27 Dec 90

[Text] Paris, December 27 (XINHUA)—The consultation meeting on the Cambodian issue held in Paris last week has achieved positive results, Prince Norodom Ranariddh, son of Cambodia's Prince Norodom Sihanouk and commander-in-chief of his father's guerrilla army, said here today.

Ranariddh, who made the remarks at a breakfast briefing for French and XINHUA reporters before leaving here for Bangkok, said these positive results should not be underestimated.

The Paris meeting, attended by France and Indonesia, two co-chairmen of the International Conference on Cambodia, and the Cambodia's Supreme National Council (SNC) formed by that country's four parties, took place from December 21 to 23.

The prince said Cambodia's conflicting parties had reiterated their commitment to the agreement reached by the five permanent members of the U.N. Security Council on a complete, political settlement of the Cambodian issue and achieved consensus on most of the views contained in the draft agreement mapped out by the two co-chairmen and the five permanent members of the U.N. Security Council for the resumption of the Paris International Conference.

Ranariddh, who also took part in the meeting as a SNC member, revealed that the Phnom Penh representatives posed quite a few questions to the U.N.-sponsored peace plan at the meeting.

The prince held that the importance of the meeting's outcome lies in that the Vietnamese attempts to obstruct the Cambodian peace process had been foiled, adding that efforts will be made in the coming three months to work for a draft agreement on the comprehensive and political settlement of the Cambodian issue by the Coordination Committee of the Paris International Peace Conference.

The prince predicted that more difficulties will come up in the next stage of the peace process because of the Vietnamese direct participation in the negotiations by the Coordination Committee.

Ranariddh also praised China for its efforts to promote the peace process in Cambodia.

Ranariddh Calls Paris Meeting 'Successful'

BK2812061690 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 28 Dec 90

[Text] Prince Norodom Ranariddn, member of the Cambodian Supreme National Council [SNC], personal representative of Samdech Sihanouk in Cambodia and Asia, general secretary of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia, and supreme commander of the National Army of Independent Cambodia, said the meeting in Paris was successful and is a step toward solving and ending the Cambodian problem.

He said this on his arrival at Bangkok airport from Paris this morning. At the meeting in Paris, the cochairmen officially showed the final draft solution of the five permanent members of the UN Security Council for ending the Cambodian problem to the 12 SNC members who agreed on almost all the basic points of this peace plan.

Ranariddh Says Faction To Focus on Elections

AU2712131490 Paris AFP in English 1249 GMT 27 Dec 90

[Text] Paris, Dec 27 (AFP) — Prince Norodom Rannaridh, son of Cambodia's Prince Norodom Sihanouk and commander in chief of his father's guerrilla army, said here Thursday that his faction would henceforth concentrate on campaigning for elections and would confine itself to a defensive military posture.

Prince Rannaridh said that his father's forces "are positioning themselves on the field of political struggle" in view of scheduled elections, which he said placed all of the warring Cambodian factions in an equal position.

He indicated that the monarchist insurgents were adopting a "defensive" posture, and added that he was facing cutoffs in both U.S. and Chinese military aid, which would be replaced by humanitarian assistance.

The prince welcomed agreement reached on a U.N.-sponsored peace plan at last week's meeting of the Cambodian Supreme National Council (SNC) in Paris, which he said was of "considerable importance."

The meeting was called in the framework of the Paris International Conference on Cambodia (PICC) by conference co-presidents France and Indonesia.

"The scale of the success must be measured by the difficulties which were overcome," Prince Rannaridh told a press conference, alluding to the objections raised by the Vietnamese-backed Phnom Penh government to the peace plan.

He said the talks had been close do "breaking down" on the second day, but added "everyone understood that this meeing must not be a failure."

The Phnom Penh government is opposed by a tripartite rebel coalition including the Marxist Khmer Rouge, nationalist forces led by former prime minister Son Sann and monarchist forces loyal to Prince Sihanouk.

Radio Explains Vietnam Opposition To Peace Plan

BK2812035890 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 27 Dec 90

[Station commentary: "Why Have the Vietnamese Enemy Aggressors Ordered Their Puppets and Lackeys To Oppose the Gathering and Disarming of Armed Forces and the Dissolution of Armies?"]

[Text] Since before September 1989 when Vietnam announced its fake troop pull-out from Cambodia, the Hanoi Vietnamese enemy aggressors have ordered Vietnamese Divisions and all Vietnamese armed forces to wear the uniforms of the puppet forces. Nearly 40,000 of these troops have been mixed with units of the puppet army while a large number of others remain genuine Vietnamese units. These genuine Vietnamese units comprise mainly the 330th Division stationed on the Battambang-Route 10 battlefield; the 339th Division stationed on Pursat and Leach battlefield; the 4th Division in Koh Kong; the 5th Division on the Sisophon battlefield; and the 307th Division in Choam Khsan. Apart from this, there are a number of Vietnamese intervention brigades, such as the Ngo [fifth letter in Cambodian alphabet]-51 stationed in Kompong Thom and the Ngo-25 on the Battambang battlefield. On top of this, many Vietnamese policemen and militiamen have been mixed with units of puppet police and militiamen.

In the 26 November 1990 draft resolution of the five permanent members of the UN Security Council [UNSC] and the cochairmen of the Paris International Conference on Cambodia [PICC], it is required that foreign forces—namely, all Vietnamese aggressor forces—be genuinely withdrawn from Cambodia under UN supervision and that armed forces of all Cambodian sides be gathered in garrisons to be determined by the UN Transitional Authority [UNTAC]; these troops will then be disarmed or dissolved.

According to this plan, all Vietnamese forces should be genuinely withdrawn from Cambodia; Vietnam cannot hide its troops in Cambodia. Troops cannot be hidden in the jungles because they would starve. This is because the puppet regime will be dissolved and would be power handed over to UNTAC. Troops cannot be hidden among units of puppet troops because these puppet troops will also be disarmed and dissolved. This is why the Hanoi Vietnamese enemy has categorically ordered its puppets to oppose the gathering, disarming, and dissolution of troops. If this is done, Vietnam would not only loose its grip on the current aggression and occupation of Cambodia but this would also destroy Vietnam's expansionist strategy in Cambodia and the region as well.

The international community, however, like the entire Cambodian people, firmly agree that the Cambodian problem should be solved in accordance with the UNSC five permanent members' peace plan, particularly the 26 November 1990 detailed document of the UNSC five permanent members and the PICC cochairmen. This is a mighty force that the Hanoi Vietnamese enemy aggressors and their puppets and lackeys certainly cannot avoid.

Indonesia

Try Sutrisno Reminds E. Timor of National Unity

BK2812101390 Jakarta ANTARA in English 0927 GMT 28 Dec 90

[Text] Dili (E. Timor), Dec 28 (OANA-ANTARA)—Chief of the Indonesian Armed Forces (ABRI) General Try Sutrisno attended this year's Christmas celebration in East Timor, the country's youngest province, Thursday evening and stated that no force could ruin the existence of Indonesia as a united country.

All Indonesians have promised themselves to live in a country of varied cultures, religions, and ethnic groups, therefore, the people of East Timor, too, must avoid rumors that might lead to unnecessary frictions, General Sutrisno said in a Christmas celebration jointly organized by the provincial administration, ABRI, and the Dili Diocese. He also said that those who were still unsure about the strength of the country's unity and development goals must immediately abandon their dreams and return to realities.

After all, he went on, nothing could destroy the spirit of togetherness in this country of over 180 million population, especially as development programs were continued to be speeded up.

On the presence of ABRI personnel in the former Portuguese colony which integrated into Indonesia in 1976, he said it was only intended to make development results more dynamic and successful.

Although some, including those in East Timor, may not be satisfied yet with the government's programs to reach for better welfare, ABRI will continue to maintain its role in making Indonesia a stable and dynamic country, he said.

General Sutrisno also said that ABRI would even try to become a modernizing factor in the national development plans.

Meanwhile, East Timor Governor Mario Viegas Carrascalao said this year's Christmas celebration must motivate the provincial administration, ABRI, the Dili Diocese, and the East Timorese in general to turn out peaceful life based on mutual respect and understanding.

His call was shared by Dili's bishop, Carlos Ximenes Belo who asked all inhabitants of the predominantly Catholic province to make East Timor a better place to live in through various development activities.

Military Chief on Enhancement of Ties With PNG

BK2812101390 Jakarta ANTARA in English 0514 GMT 28 Dec 90

[Text] Jayapura, Dec 28 (OANA-ANTARA)—Armed Forces [AF] Commander General Try Sutrisno has stated that the already existing good relations between Indonesia and Papua New Guinea (PNG) will be further enhanced in the future.

In a statement to ANTARA on Thursday noon at Wamena, Jayawijaya District, Irian Jaya, after meeting victims of the Kurima natural disaster who were now resettled at Elelim Village, the AF commander pointed out that cooperation between the two countries should not be restricted to border problems only, because borders were natural phenomena.

According to the general, most important was the existence of mutual understanding between the two countries, consequently enhancing mutual trust. Mutual trust in turn would make it easy to solve wisely all problems which might arise, particularly defence and security matters.

Particularly with regard to the problem of Indonesian border crossers from Irian Jaya, Indonesia expected PNG to tackle it very wisely.

Asked about the number of Irian Jaya border crossers who were still in PNG, Try Sutrisno said that he did not know the exact number, but possibly about 600, because many of them had returned to their villages some time ago.

To those who were still in PNG, the armed forces commander appealed to return to their respective villages where they would be welcomed in order to enable them to take part in development activities to catch up with the region's backwardness.

Asked about the group of Irian Jaya security disturbers who had fled to PNG, the general said that PNG showed understanding about this problem.

He went on to state that cooperation between the two countries was evident in the dispatch since the 1970s of PNG officers to Indonesia to attend the Police Staff College and according to plan a number of police officers would again be dispatched next year to attend a similar course.

In addition, through joint border committee meetings each year, the friendly relations could be further enhanced between the two countries, General Try Sutrisno asserted.

Foreign Investment Climbs to $8.7 Billion in 1990

BK2412155590 Hong Kong AFP in English 1000 GMT 24 Dec 90

[Text] Jakarta, Dec 24 (AFP)—Foreign investment in Indonesia in 1990 soared to an all-time record of 8.7 billion dollars, largely in response to the government's deregulatory measures of recent years, officials announced Monday. The figure of foreign investment approvals represented an 85 per cent increase over last year's 4.7 billion dollars, a record at the time.

"It's been a very good year for investment in Indonesia," said Sanyoto Sastrowardoyo, chairman of the National Investment Coordinating Board (BKPM) which licenses domestic and foreign investment outside the oil, gas, banking, leasing, and insurance sectors.

Of the 8.7 billion dollar of foreign investment approved, 1.98 billion was for the chemical industry, 1.09 billion for the textile and garment sector and 826 million dollars for the hotel industry, Mr. Sanyoto said.

Indonesian investment regulations require foreign investors to form joint ventures with Indonesian companies, to limit their equity holding to a maximim 80 per cent, and to divest their shares to give the local partners a controlling majority after 15 years of commercial operation.

Japan topped the list in terms of value with 75 projects worth 2.23 billion dollars approved, followed by Hong Kong with 36 projects worth 993 million dollars, according to BKPM. South Korea ranked third with investment of 721 million dollars for 85 projects and Taiwan fourth with 616 million dollars for 93 projects.

Japan and the four Asian dragons have tended to dominate the foreign investment scene in Indonesia in recent years, Mr. Sanyoto said, adding that rising labour costs and loss of preferential treatment previously granted by Western industrial countries had forced companies in Asia's newly industrial economies to relocate, with Indonesia being one of the beneficiaries.

Singapore, the other Asian dragon, ranked seventh this year with 33 investment projects approved worth 217 million dollars, according to BKPM.

Mr. Sanyoto attributed the big increase in foreign investment this year to "consistent deregulation and debureaucratisation" measures, comparative advantages such as political stability and a free foreign exchange regime, and an aggressive campaign abroad.

The cumulative total of foreign investment in Indonesia since 1967, the year Indonesia opened its doors to capital from abroad, reached 38.4 billion dollars, with Japan topping the list with 9.6 billion dollars, followed by Hong Kong with 3.73 billion dollars. On average, 80 per cent of the value of foreign investments approved were implemented within five years.

Mr. Sanyoto said domestic investments approved by BKPM reached 59,500 billion rupiah (31.5 billion dollars) for the year, also a new record representing more than triple from 1989 figure.

Laos

Decrees on Enforcement of New Laws Issued 24 Dec

BK2812131190 Vientiane KPL in English 0924 GMT 28 Dec 90

[Text] Vientiane, Dec 28 (KPL)—Five decrees on the application of five laws were issued on December 24, 1990. They were signed by the acting president Phoumi Vongvichit of the Lao People's Democratic Republic.

The five laws are on non-contractual obligations, proceedings of civil cases, labor, insurance, and enterprise accounts.

These laws were endorsed at the recent fifth ordinary session of the People's Supreme Assembly.

Last Batch of Repatriated Refugees Returns

BK2112125990 Vientiane KPL in English 0942 GMT 21 Dec 90

[Text] Vientiane, Dec 21 (KPL)—29 families of 99 misled Lao refugees staying in Thailand for some time last week returned to the motherland through Chongmek checkpoint, the border area between the Lao southern province of Champassak and Thai Ubon Ratchathani Province.

The last week's repatriation marks the ninth batch of refugees through this checkpoint and the last for this year. The returnees are of Champassak, Saravane, Savannakhet and Khammouane Provinces' origins.

In Vientiane Prefecture, 47 families of 205 Lao refugees on Dec. 10 and 17 also returned home through Thadeua checkpoint.

The December 17 batch of 24 families including 114 refugees marked the 19th and the last for this year. Most of them are of Sayaboury origin.

Each repatriation is marked by a hand-over ceremony with the participation of Lao and Thai authorities in the presence of the representative of the United Nations High Commissioner for Refugees (UNHCR).

The Government of the Lao People's Democratic Republic pursues a principled humanitarian policy of welcoming the voluntary repatriation of Lao refugees, said an official of the Lao Foreign Ministry.

Local administrations concerned in collaboration with the UNHCR have helped to send voluntary repatriates home and helped them to settle a new life with full rights as other citizens.

Phoumi Vongvichit Confers Awards on Cadres

BK2212061990 Vientiane Domestic Service in Lao 1200 GMT 21 Dec 90

[Text] This morning a ceremony was held at the office of the Lao Front for National Construction [LFNC] Central Committee in Vientiane to mark the conferring of medals of victory, decorations, and certificates of commendation on four senior cadres who have recorded outstanding achievements and meritorious deeds in contributing to the past cause of national liberation struggle throughout the 13-year period as well as to the cause of defending and building the country over the past 10 years.

The distinction orders which were presented to the senior cadres by Phoumi Vongvichit, chairman of the LFNC Central Committee, on this occasion included the first-class victory medals, the first-class revolutionary medals of victory, the first-class labor medals, and the anti-French and U.S. imperialist decorations. These orders of distinction were awarded to Boualang Bopualapha, member of the Lao People's Revolutionary Party [LPRP] Central Committee and vice chairman of the LFNC Central Committee, and Nhiavu Lobaliayao, former chairman of the Central Nationalities Committee, while the medium-class revolutionary medals of victory and the anti-French and U.S. imperialist decorations were awarded to Mrs. Ngot Boualapha and Mrs. Phan Boualapha. In addition, the LFNC Central Committee also presented the certificates of commendation to 25 other cadres attached to the LFNC Central Committee who have also recorded outstanding achievements.

Foreign Investment in Vientiane Area Stepped Up

BK2812043490 Vientiane Domestic Service in Lao 0000 GMT 28 Dec 90

[Text] According to an interview given to a correspondent of the LAO NEWS AGENCY by Chanseng Phimmavong, deputy chief of the industry and trade service of Vientiane Municipality, at present, the broadening of investment cooperation with foreigners in the Vientiane municipal area is in the stage of development and of building mutual trust. The broadening of investment cooperation of this kind was commenced at the same time with the switching to the new concept nearly three years ago on the basis of the implementation of the policy outlined by the party. In 1990 alone, foreign companies have invested in 22 projects in Vientiane Municipality, with the investment totalling more than U.S. $8 million. Of these, seven are for the promotion of agricultural and forestry production, eight for the promotion of industrial production for export, and seven for the promotion of trading services.

The deputy chief of the service went on to say that in 1990 following the restoration and strengthening of relations between Laos and China, Vientiane Municipality has stepped up cooperation with the PRC in many fields. For example, in the near future, the two sides plan to cooperate with each other in building a modern textile factory near Vientiane capital, to set up a joint state company for import and export businesses, to establish a joint venture in promoting the production and processing of agricultural products, and to launch a number of other cooperation projects.

River Bank Protection Project Given to Vientiane

BK2412112690 Vientiane KPL in English 0921 GMT 24 Dec 90

[Text] Vientiane, Dec 24 (KPL)—The Mekong river bank protection project, at Tha Deua of Hatsaifong District in Vientiane Municipality, was handed over on the morning of Dec. 20 to the administrative committee of Vientiane Prefecture.

The project was financed by the Australian Government amounting to U.S. 320,000 [dollars] and executed by the Mekong secretariat.

The construction work, started in March 1990 after a few months of feasibility study of soil erosion, included a laying of geotextile and reno mattresses following a preparation of a slope by cutting into the upper part of the bank, with a total length of 250 metres.

H.E. [His Excellency] Mr. Michael Douglasmann, the Australian ambassador to the Lao PDR [People's Democratic Republic], praised in his speech the labourers, workers and engineering staff of all concerned organs for their impressive work.

The Australian ambassador said the technical experiences drawn from this Tha Deua bank protection project will be used at a site of the Mekong river bridge which will commence construction next year. He disclosed that the method of bank protection is also being used in the construction of ferry ramp in Houai Sai District, northern Bokeo Province, under the Australian financed Mekong port programmes also implemented by the Interim Mekong Committee.

In return, H.E. Mr. Sisavat Keobounphan, mayor of Vientiane Prefecture, expressed on behalf of the Vientiane Prefecture as well as the whole Lao people his deep thanks for the Australian assistance. He greatly appreciated the help of the Australian people and government for their good-will support to the development of the Lao national economy.

U.S. Project Organizes Course on 'Fixed Farming'

BK2512113290 Vientiane KPL in English 0923 GMT 25 Dec 90

[Text] Vientiane, Dec. 25 (KPL)—The Lao-American project for integrated rural development in operation in northern Houa Phan Province recently organised a course on fixed farming for farmers in Houa Meuang District of the province.

The first ever held by this project, the course was designed to encourage mountainous farmers to take up fixed farming by the plantation of different substitute crops, such as cereal, coffee and others, in addition to livestock.

Now the project is preparing the supply of industrial crop seeds and cattle to the farmers.

It is reported that a course of the same nature will be opened next January for farmers in Viangthong District of the same province.

UNDP Official Bids Acting President Farewell

BK2112124890 Vientiane KPL in English 0933 GMT 21 Dec 90

[Text] Vientiane, Dec 21 (KPL)—The Lao acting president Phoumi Vongvichit received here on December 19 the resident representative of the United Nations Development Program [UNDP] Ms. Carroll Long who is ending her four-year term in Laos.

During the farewell call at the presidential palace, the Lao acting president expressed his appreciation to the outgoing UNDP resident representative for her good deeds and her great efforts in helping Laos. Thanks to her, considerable funds from various international organisations have been acquired for socioeconomic development projects over the past four years. Her contribution has helped change the face of the Lao PDR [People's Democratic Republic] and make the world community understand better the new stance and policies of the Lao PDR in the period of the construction of the economic bases.

Khamtai Siphandon Greets VPA Counterpart

BK2212145490 Vientiane Domestic Service in Lao 0430 GMT 22 Dec 90

["Congratulatory message" from General Khamtai Siphandon, national defense minister of the Lao People's Democratic Republic, to Gen. Le Duc Anh, national defense minister of the SRV, in Hanoi; dated 22 December]

[Text] On the occasion of the 46th founding anniversary of the Vietnamese People's Army [VPA], in the capacity as national defense minister and on behalf of all officers and rank and file soldiers in the Lao People's Army [LPA], I would like to extend my sincere and intimate salutations and congratulations as well as best wishes to you, comrade, and to all comrades officers and soldiers in the heroic VPA.

Throughout the past 46 years, under the leadership of the Communist Party of Vietnam [CPV], the VPA has grown stronger and bigger to become a model modern army. It has passed through numerous rugged trials and has, together with the multiethnic Vietnamese people, defeated all enemies, thus creating outstanding heroic deeds in the cause of national liberation and incessantly defending, building, and strengthening socialism in their country. The VPA has also consistently made noble contributions to fulfilling the international obligations to the revolutions in Laos and Cambodia.

The LPA and the entire multiethnic Lao people are extremely grateful to the Vietnamese party, government, and people and the fraternal VPA for continually and uninterruptedly rendering effective support and assistance to our Lao revolution. The LPA is very proud to have the fraternal VPA as our pure and sincere friend. I would like to take this glorious occasion to wish that the friendship, special militant solidarity, and allround cooperation between the two countries and armies of Laos and Vietnam last and flourish forever.

May you, comrade minister, have good health and happiness and attain many new achievements in fulfilling your lofty and noble tasks.

General Sends Greetings on Vietnamese Army Day

BK2512091490 Vientiane Domestic Service in Lao 0430 GMT 25 Dec 90

[Text] On 22 December, Comrade Lieutenant General Osakan Thammatheva, member of the party Central Committee and chief of the Army's General Political Department, and his party paid a courtesy call on Comrade (Dang Du Loc), head of the Vietnamese experts in Laos, and Comrade Nguyen Xuan, SRV ambassador extraordinary and plenipotentiary to Laos, on the occasion of the 46th anniversary of the Vietnamese People's Army [VPA]—from 22 December 1944 to 22 December 1990.

The meeting was held under an atmosphere of friendship and goodwill. On behalf of the Lao Army and people, Comrade Lt Gen Osakan Thammatheva wished that the comrade Vietnamese experts and military attache as well as the entire VPA personnel and people have good health and successfully fulfill their duties so as to incessantly make progress for the country.

He also wished that the special relations and solidarity between the two parties, states, and armies last forever.

Leaders Thank SRV Counterparts on Greetings

BK2512040490 Vientiane Domestic Service in Lao 0000 GMT 25 Dec 90

[Text] On 20 December Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutioinary Party [LPRP] Central Committee and chairman of the Council of Ministers of the Lao People's Democratic Republic [LPDR]; Comrade Phoumi Vongvichit, acting president of the LPDR; and Comrade Nouhak Phoumsavan, chairman of the LPDR's Supreme People's Assembly [SPA], jointly sent a thank-you message to Comrade Nguyen Van Linh, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Comrade Vo Chi Cong, chairman of the SRV State Council; and Comrade Do Moui, chairman of the SRV Council of Minisrters; and Comrade Le Quang Dao, chairman of the SRV National Assembly, in Hanoi.

The message reads:

On behalf of the LPRP Central Committee, the SPA, the LPDR Government, and the Lao people throughout the country, and in our own names, we would like to extend our profound and sincere thanks to you, comrades, and through you to the CPV Central Committee, the State Council, the Council of Ministers, and the National Assembly of the SRV, and the fraternal Vietnamese people for sending your best wishes and profound friendship to us on the occasion of the 15th anniversary of the LPDR founding. We firmly believe that the great friendship, special solidarity, and all-around cooperation between Laos and Vietnam will be further strengthened and continuously developed.

May you, comrades, and the fraternal Vietnamese people attain more new greater victories in building Vietnam into a prosperous and strong country.

On the same occasion, Comrade Phoun Sipaseut, foreign affairs minister of the LPDR, also sent a thank-you message to Comrade Nguyen Co Thach, foreign affairs minister of the SRV.

Cambodian Leaders Thanked for Greetings

BK2512042090 Vientiane Domestic Service in Lao 0000 GMT 25 Dec 90

[Text] On 18 December Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers of the Lao People's Democratic Republic [LPDR], and Comrade Phoumi Vongvichit jointly sent a thank-you message to Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] Central Committee and chairman of the State Council of the State of Camboldia; Comrade Chea Sim, chairman of the National Assembly of the State of Cambodia; and Comrade Hun Sen, chairman of the Council of Ministers of the State of Cambodia, in Phnom Penh.

The message reads:

On behalf of the Lao party, government, and people and in our own names, we would like to extend our profound thanks to you, comrades, and through you to the fraternal Cambodian party, government, and people for sending best wishes to us on the occasion of the 15th anniversary of the LPDR founding. We firmly believe that the time-honored great friendship, special solidarity, and all-around cooperation between the two fraternal peoples of the LPDR and the State of Cambodia will be further developed with every passing day and gradually bear brilliant fruits.

May you, comrades, have good health and attain more new greater achievements in fulfilling your noble tasks.

May the friendship and special solidarity between the Lao and Cambodian peoples last forever.

Birthday Greetings Sent to Japanese Emperor

BK2212100290 Vientiane KPL in English 0935 GMT 22 Dec 90

[Text] Vientiane, Dec 22 (KPL)—Phoumi Vongvichit, acting president of the Lao People's Democratic Republic, has sent birthday greetings to His Majesty Akihito, emperor of Japan.

The greetings reads:

"On the auspicious occasion of the 57th birthday of Your Majesty (Dec 23), I have the honour to extend my warmest congratulations and best wishes for happiness and prosperity to Your Majesty, as well as the Imperial family members and the Japanese people.

"I always hope that the existing good relations of friendship between our two countries will be further developed and strengthened in the interest of our two peoples."

Leaders Send Greetings on Japanese National Day

BK2212104890 Vientiane KPL in English 0938 GMT 22 Dec 90

[Text] Vientiane, Dec 22 (KPL)—Chairman of the Council of Ministers Kaysone Phomvihan has sent a national day greeting to H.E. [His Excellency] Toshiki Kaifu, prime minister of Japan.

The telegram indicates:

"On the occasion of the national day of Japan, I would like to extend my sincere congratulations and best wishes for happiness and prosperity to your excellency and, through you, to the government and Japanese people.

"I am very pleased to note the friendly relations between our two countries have been expanded in a good direction on the spirit of the meeting I have had with you in Tokyo on November 1989, which has laid a solid foundation for our bilateral cooperation in the future.

"I am firmly confident that the good relations of friendship and cooperation between our two countries will be further reinforced and developed for the benefit and happiness of the Lao and Japanese peoples and for peace, stability and cooperation in the region as well as in the world."

On the same occasion, Phoun Sipaseut, vice chairman of the Council of Ministers, minister of foreign affairs of the Lao People's Democratic Republic, has also conveyed his best wishes to His Excellency Mr. Taro Nakayama, minister of foreign affairs of Japan.

The telegram reads:

"I am convinced that the relations of friendship and the fruitful cooperation between our two countries which have been marked by a new impetus under your direction will be futher developed and strengthened for the benefit of our two peoples as well as that of peace, stability and cooperation in Southeast Asia and in the world."

Further on Messages

BK2312111490 Vientiane Domestic Service in Lao 0000 GMT 23 Dec 90

[Text] On the occasion of the National Day of Japan, 23 December, Phoumi Vongvichit, acting president, and Kaysone Phomvihan, chairman of the Council of Ministers of the Lao People's Democratic Republic [LPDR], have separately sent greetings messages respectively to His Majesty Akihito, emperor, and Toshiki Kaifu, prime minister of Japan. In their messages, they have expressed sincere greetings and conveyed best wishes of happiness and prosperity to his majesty the emperor and the prime minister, and through them to the government and all people of Japan.

The LPDR leaders have also expressed firm conviction that the good relations of friendship and cooperation between the two countries—Laos and Japan—will be further developed and strengthened for the benefit and happiness of the peoples of the two countries and in the interests of peace, stability, and cooperation in the region and the world.

On the same occasion, Phoun Sipaseut, vice chairman of the Council of Ministers and minister of foreign affairs of the LPDR, has also sent a greetings message to Taro Nakayama, minister of foreign affairs of Japan.

Japanese Grants Aid To Develop Vientiane Suburb

BK2812091690 Vientiane Domestic Service in Lao 0000 GMT 28 Dec 90

[Text] On the evening of 26 December, a ceremony was held at the Ministry of Agriculture, Forestry, and Irrigation to sign a cooperation agreement with a representative of the Japanese (Kubota) Construction Company on organizing the implementation of the rural development project in the suburb of Vientiane. This project will be funded by gratis aid given by the Japanese Government.

Earlier in 1987, a similar cooperation agreement was also signed to implement the rehabilitation project in the Tha Ngon plain with a gratis grant from the Japanese Government.

The signing of the latest cooperation agreement on the implementation of the rural development project in the suburban area of Vientiane is a continuation of the Japanese Government's contributions to the socioeconomic development of the Lao People's Democratic Republic, especially in promoting and developing the production of food supply and in turning natural and subsistent agricultural production into goods production in the agricultural sector in the Vientiane plains. Accordingly, the Japanese Government has agreed to give gratis aid worth 1,074 million yen—an equivalent of more than U.S. $80 million—to Laos in 1991 to carry out the project.

Signing the agreement for the Lao side was Kou Chansila, chief of the Economics, Planning, and Finance Department. Representing the Japanese side, was (Tangke), a representative of the (Kubota) Construction Company. The signing was carried out in the presence of Sitaheng, deputy minister of agriculture, forestry, and irrigation, and a number of concerned cadres.

Survey for Japan-Aided Bridge Completed

BK2212110490 Vientiane KPL in English 0942 GMT 22 Dec 90

[Text] Vientiane, Dec 22 (KPL)—Final survey of Nam Ngum bridge construction project is now finished, reported Khamla Sai-gnavong of the communication, transport, post, and construction service of Vientiane Municipality.

The construction site of the bridge is at Tha Ngon area, about 20 km northeast of Vientiane town.

Conducted under the JICA's assistance (Japanese Internationl Cooperation Agency), the survey took one year. This bridge, 230-m long and 11-m wide, will cost U.S. [dollars] 14 million to be covered by the Japanese Government's grant aid. Its construction schedule will be decided later.

Over the past years, the Japanese Government has provided the municipality with grant aid for several development projects. These include the rehabilitation and development of Tha Ngon plain, the sericulture, the construction of Km-4 river port, and the improvement of passenger bus service.

In addition, Japan has assisted Laos in the survey project of sewer system in Vientiane Municipality. The work is now basically achieved.

Leaders Thank Soviet Counterparts for Greetings

BK2612095790 Vientiane Domestic Service in Lao 0000 GMT 26 Dec 90

[Text] On 18 December Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers; Comrade Phoumi Vongvichit, acting president; and Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA] of the Lao People's Democratic Republic [LPDR], jointly sent a reply message of thanks to Comrade Mikhail Sergeyevich Gorbachev, general secretary of the CPSU Central Committee and president of the Soviet Union; Comrade Anatoliy Ivanovich Lukyanov, chairman of the USSR Supreme Soviet Presidium; and Comrade Nikolay Ivanovich Ryzhkov, chairman of the USSR Council of Ministers, Moscow. The message reads as follows:

We would like to express sincere thanks to you, comrades, for the warm greetings and best wishes that you have conveyed to us on the occasion of the 15th anniversary of the LPDR and for your high assessment of the achievements recorded by our Lao people over the past 15 years. We are convinced that the traditional relations of fraternal friendship and all-around cooperation between the parties, states, and peoples of our two countries will be increasingly developed.

On this occasion, we wish you, comrades, and through you to all fraternal Soviet people, happiness and ever greater success in implementing perestroyka.

Leaders Thank PRC Counterparts for Greetings

BK2612103590 Vientiane Domestic Service in Lao 0000 GMT 26 Dec 90

[Text] On 13 December Comrade Kaysone Phomvihan, general secretary of the Lao People's Revolutionary Party [LPRP] Central Committee and chairman of the Council of Ministers; Comrade Phoumi Vongvichit, acting president; and Comrade Nouhak Phoumsavan, chairman of the Supreme People's Assembly [SPA] of the Lao People's Democratic Republic [LPDR], jointly sent a reply message of thanks to Comrade Jiang Zemin, general secretary of the CPC Central Committee; Comrade Yang Shangkun, president; Comrade Li Peng, premier; and Comrade Wan Li, chairman of the Standing Committee of the PRC National People's Congress, Beijing. The message reads as follows:

On behalf of the party, government, and people of Laos, and in our own names, we would like to express sincere thanks to you, comrades, and through you, to the party, government, and people of China, for the message of greetings that you have conveyed to us on the occasion of the 15th founding anniversary of the LPDR. We are convinced that the traditional relations of friendship, solidarity, and mutual assistance between the two peoples of Laos and China will be strengthened with each passing day and that the all-around cooperation between our two countries will be consistently developed.

We wish the party, government, and fraternal people of China glorious success in carrying out the cause of economic reform and the open-door policy to build China into a prosperous, strong, and modern country.

Free Monetary Exchanges Characterize MPR Trade

BK2812041090 Vientiane Domestic Service in Lao 1200 GMT 26 Dec 90

[Text] The process of trade between the Lao People's Democratic Republic [LPDR] and the Mongolian People's Republic [MPR] will be changed in the near future when the trading system begins to be conducted through business accounting procedures and free monetary exchanges. The change in the form of trade cooperation was agreed upon by the two sides in an agreement signed in Vientiane on 25 December by Khamphoui Keoboualapha, minister of trade and tourism of the LPDR and Yadmaagiyn Dashnyam, MPR ambassador extraordinary and plenipotentiary to Laos.

The agreement will go into effect on 1 January 1991.

Philippines

'Installation Priniciple' May Apply to Subic

HK2812030990 Manila THE MANILA CHRONICLE in English 28 Dec 90 p 7

[By Lito Zulueta]

[Text] The Philippines will apply the "cluster principle" to Subic Naval Base, which means some areas in the facility will be exclusively for American use after the bases accord ends on Sept. 16, 1991, Malacanang officials told the CHRONICLE.

Under the proposed setup, installations in Subic will be divided into four clusters: for exclusive American use, for joint-use with the Americans taking the lead, for joint use with the Philippines taking the lead and for exclusive Philippine use.

The Philippines will exercise sovereign and operational control over the four clusters. These will have to be leased exclusively for American use.

A Malacanang official who refused anonymity [as published] said the principle, called the "installation principle" by the Philippine panel, had been proposed during official bases talks between Foreign Secretary Raul Manglapus and special U.S. negotiator Richard Armitage early this month.

Although the application of the principle was raised during the talks, its application to Subic—the U.S.' latest overseas naval bases outside the mainland—was not revealed.

A Malacanang official said that since the talks were adjourned, both sides had conducted technical survey to identify what areas to include in any of the four clusters. He said the survey would resume in January so this could be presented when Manglapus and Armitage meet again in the fourth round of talks.

The official said the approach was "acceptable" to the Americans who are hard-pressed to maintain their presence not only in the Philippines but also in the region.

The idea of the "installation principle" came from Defense Undersecretary Feliciano Gasis and was meant to show the Philippines' determination to take sovereign control of the American facilities.

If the principle was adopted, the official said the facilities would only be regarded as "installations," indicating a much reduced American presence and a wider application of Philippine sovereignty.

Meanwhile, Manglapus said that the Philippines would stick to its stand to have a "specific compensation package" for the bases.

Ramos Defends U.S. Emergency Right to Bases

HK2812111590 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 28 Dec 90

[Text] Defense Secretary Fidel Ramos explained that the United States has the right to use its bases in the Philippines to support its forces in the Gulf in the event of a Middle East war. He added that the best thing the government can do is to prepare for the worst. The United States maintains six military bases in the Philippines.

President Aquino reiterated that the government does not violate any law in relation to the events in the Gulf. Tanny Rodriguez reports:

[Begin recording] President Aquino said the country continues to support the UN Security Council resolution on the Gulf crisis and that no constitutional provision is violated, particularly that of refusing to take part in any war. The chief executive issued the statement following Senator Wigberto Tanada's warning that the government's move to allow the United States to use its military facilities here against Iraq would mean a declaration of war against Iraq. Mrs. Aquino said that any implementation of a resolution under the UN Charter is recognized by international law and is not a violation of the provision. [end recording]

More on Ramos' Comments

HK2812063990 Hong Kong AFP in English 0601 GMT 28 Dec 90

[Text] Manila, Dec 28 (AFP)—Philippine Defense Secretary Fidel Ramos Friday defended the docking of Gulf-bound U.S. warships at Subic Naval Base near here as a legislator charged that it constituted a declaration of war against Iraq. A 13-ship U.S. Navy task force from California, along with a Marine expeditionary brigade, arrived at Subic, northwest of Manila, Thursday for live fire exercises and individual unit training on their way to the Gulf to join the international armada against Baghdad.

Senator Wigberto Tanada, an opponent of U.S. bases, criticized Manila for its "virtual declaration of war against Iraq," and warned President Corazon Aquino that she could be violating the Constitution by appropriating Congress' sole power to declare war.

However, Mr. Ramos told a news conference that a 43-year-old military bases agreement "allows operations of U.S. forces in the bases, so you have to weigh that one against the other." "It appears to me that what is more important is that we also comply with our agreement with other countries in the same way that we supported the resolutions of the United Nations against Iraq," Mr. Ramos said.

Manila and Washington are in the process of renegotiating a new treaty on Subic and Clark Air Base, the largest U.S. overseas military facilities whose lease runs out on September 16, 1991. Both sides expect to reach an agreement in January.

Status of Citizens, Gulf Evacuation Plans Noted

HK2812020390 Manila Far East Broadcasting Company in Tagalog 0100 GMT 28 Dec 90

[Text] Labor Secretary Ruben Torres says that countries from which Filipino migrant workers will be repatriated are Iran and Turkey. He said the workers still in Iraq and Kuwait can be easily evacuated; while Filipinos in Saudi Arabia, who number 591,000, have been given notice about possible evacuation. Some 2,000 Filipino workers are still in Kuwait, and 100 are in Iraq. Torres has advised the country's labor attaches to remain in their posts until all Filipinos are evacuated.

Meanwhile, Foreign Affairs Raul Manglapus says the close-to half-million Filipinos in the Middle East may not be evacuated in time, should war erupt in the Gulf. He said an evacuation plan for Filipinos has been set up; however, the Philippines may face problems of logistics.

There are 400,000 Filipinos working in Saudi Arabia, and it is possible that Filipinos in the other Middle Eastern countries will be evacuated to Saudi Arabia because of Iraq's statement that it would not attack that country, if war breaks out.

Oman, Qatar, Bahrain To Expel Filipino Workers

HK2812022390 Manila PHILIPPINES NEWSDAY in English 28 Dec 90 pp 1, 2

[By Francisco S. Tatad]

[Text] The "air rights" war arising from the Philippines' non-renewal of the permit of Gulf Air to fly to Manila from Bahrain took a turn for the worse last night when the three Gulf states of Oman, Qatar and Bahrain reportedly decided to send home 5,000 Filipino workers as a sign of displeasure with the Aquino government.

This was the second punitive move taken by the owners of Gulf Air after the local Civil Aeronautics Board (CAB) refused to renew the airline's temporary permit to fly to Manila after it expired December 15th.

The first punitive action consisted of Oman banning all Philippine Airline [PAL] overflights across its airspace.

Sources close to Oman's Undersecretary for Ports and Civil Aviation Affairs, Salim bin Ali bin Nasser Assiyabi, told NEWSDAY in a telephone interview out of Bahrain that the decision was taken yesterday and was due to be implemented soon. "This is just the first drop from the river," the sources said. "The dam has not yet burst."

An estimated 93,000 Filipino workers are employed in Bahrain, Oman, Qatar, and the United Arab Emirates.

Assiyabi was the leader of the official delegation from the three Gulf states that came to Manila to negotiate an air service agreement for Gulf Air, the airline owned by the four Gulf states, last December 10-14.

The talks bogged down on a number of issues, notably on the sovereignty question, and the reported walkout by the leader of the Philippine delegation.

Both sides exchanged charges of "arrogance."

In an attempt to find a solution to the worsening conflict, several Philippine government officials were reported to have constituted themselves into an official delegation and agreed to visit the Gulf states on January 7, 1991.

These include: Congressman E. Matti, chairman of the House committee on transportation; Labor Secretary Ruben Torres; Congressmen Edcel Lagman, agrarian reform committee chairman; Roland Andaya, appropriations committee chairman; Salvador Escudero, Minority Floor Leader; and Roque Ablan Jr. transportation committee member.

Meanwhile PAL sources confirmed yesterday that it has been served notice of the ban on all PAL overflights across Omani airspace effective January 1, 1991. This ban affects all PAL flights to Europe and the Middle East. PAL flies to Frankfurt, London, Paris and Rome via Karachi and to Jeddah via Dubai in the United Arab Emirates.

In order to avoid Omani airspace, PAL will have to use the Afghanistan-Iranian-Iraqi-Turkey corridor, bringing it close to the present zone of imminent war, or the Soviet air corridor. PAL sources said the airline had started exploring the possibility of using Soviet air space for its Europe-bound flights. It was, however, held unlikely that the Soviet Union would be ready to accommodate the request after the CAB had taken a very strong stand against the application of Aeroflot, the Soviet airline, for landing rights in Manila.

The Omani restriction is expected to exact its heaviest toll if and when war breaks out in the Gulf following the January 15 deadline set by the United Nations for Iraq to pull out of occupied Kuwait or else face military action. If and when that happens, it would be next to impossible for PAL to evacuate Filipino workers from Saudi Arabia—and absolutely impossible to get them out of the Gulf States—without cutting arcoss Omani skies.

New RAM Coup Plan for Early Jan Reported

HK2812025990 Manila PHILIPPINES NEWSDAY in English 28 Dec 90 pp 1, 2

[By Dario B. Agnote]

[Text] The military claimed to have uncovered a right-wing plot to mount another destabilization move against the Aquino government sometime between today and January 14 next year.

A briefing report said the Reform the Armed Forces Movement [RAM] and the Young Officers' Union were planning to launch a move similar to the northern Mindanao uprising last October. A source said the rightist forces plan to sabotage Air Force jets, helicopters and other aircrafts in at least three major military air bases in Luzon and the Visayas. They also plan to raid the armory of the forestry battalion in Fort Magsaysay in Nueva Ecija.

Among their targets, the source said, are northern Luzon, Cagayan Valley, Bicol region, Western Visayas, Cagayan de Oro and Davao. These regions were being eyed as potential staging areas for their "enclave concept" of pocket rebellions designed to confuse and paralyze the government forces in Metro Manila so they could easily mount a full-scale coup d'etat in the metropolis.

Earlier, the military said it had monitored massive recruitment efforts by the RAM particularly in Bicol, northern Luzon and some parts of the Visayas. At a recent briefing in Camp Aguinaldo by some senior military intelligence officers, it was also reported that coup leader Gregorio "Gringo" Honasan has been busy going around "distributing money" to expected key participants in the planned pocket rebellions.

The military identified Honasan and Commodore Domingo Calajate as the architects of these fresh effort to mount a destabilization move against the Aquino government which has been rocked by at least seven coup attempts by the military rebels.

The source, who stressed that no official military report has been written yet about this new right-wing plot, said the assessment was made after the aborted Basa Air Base incident wherein four suspected rebel military men were arrested for attempting to blow up the base's gas storage tanks and some aircrafts last week.

Lt. General Rodolfo Biazon, the incoming AFP [Armed Forces of the Philippines] chief of staff, confirmed that the Basa Air Base incident was to be the signal for renewed efforts to mount another coup attempt this month.

The source claimed the right-wing forces were targetting January 14 as a potential date to "strike" due to the expected shooting war in the Gulf. The source said that the military rebels are still considering the U.S. factor in their "desperate move" to topple the Aquino government. "They want to take advantage of the possible eruption of war in the Gulf in which the U.S. as you know is deeply involve," the source explained.

General Renato S. De Villa, AFP chief of staff, downplayed renewed efforts at another coup attempt, maintaining that the military rebels have no more capability to mount one.

Biazon, for his part, echoed De Villa's statement, adding that the military rebels are only capable of mounting "terroristic attacks like bombings, assassinations and the like." "Their (right- wing forces) so-called rolling plan stagnated from recruitment and plotting...that's all they can do," he said.

But a Camp Aguinaldo official said: "But the overall plan to mount another coup is there."

Military and defense officials said they have mapped out a "counter move" to thwart further destabilization attempts by the rightists.

An intelligence report shown to NEWSDAY said that the right-wing forces have planned at least three major coup attempts against Aquino including the failed northern Mindanao mutiny led by Colonel Alexander Noble. The report said the military rebels had planned to mount coup attempts last May and June of this year.

The same intelligence report even said that the military monitored "some civilians and renegade soldiers" training somewhere in Bulacan. The military claimed that Honasan and the other fugitive rebel military officiers continue to receive financial support from civilians supporters.

Changes in Four Army Commands Announced

HK2812024390 Manila MANILA BULLETIN in English 28 Dec 90 pp 1, 23

[By Owen Masaganda]

[Text] Maj. Gen. Guillermo Flores, Philippine Army chief, announced yesterday changes in four commands, completing the Army's restructuring program this year.

Flores, who is incoming vice chief of staff of the Armed Forces of the Philippines (AFP), replaced four commanders in his staff and units to speed up the Army's reorganization. "We are pursuing a policy of maintaining the objective of a lean and tight army in view of several factors that have served to modify and even alter the thrusts and imperatives of defense and national security," Flores said.

He designated Col. Lucino Duldulao as head of the 53rd Engineering Brigade, replacing Brig. Gen. Dominador Catibog who was appointed chief of AFP Engineers; Col. Regino Calub, head of the Inspector General Office, replacing Col. Savino Batenga Jr. Col. Mauricio Santiago, chief of the Intelligence Security Group, replacing Col. Rolando Bautista; and Lt. Col. Samuel Bagasin, chief of the Office of Comptroller (G-6), replacing Col. Fredilino Bautista.

Flores said he expected "a tapering off, if not the successful elimination, of communist insurgency problem within the next two years."

He added that the streamlining of the Army forces and units has been made urgent by the need to restore the unity of command, sense of loyalty and discipline, and integrity that mark the military service. "We can no longer tolerate acts of disloyalty and abuse of confidence and responsibility committed by personnel and units that only serve to divide the whole AFP," he said. Last month, Flores ordered the disbandment of five Army battalions and the relief of 26 officers whose performance, he said, had been placed in grave doubt.

He said the current reorganization in the Army is aimed at making the organization lean and compact force and professionalizing it. The professionalization of the Army includes strict and more rigorous compliance to military policies and regulations and selective recruitment of officers and men who fit the highest standard of criteria in the military service, he said. Flores said the Army will strengthen its defense capability next year through the modernization of weapons and equipment.

President Aquino will definitely not extend the three-month term of Lt. Gen. Rodolfo Biazon as Armed Forces of the Philippines (AFP) chief of staff, it was learned yesterday. Former Army chief Mariano Adalem, presidential adviser on military affairs, said President Aquino has decided that she will adhere to the retirement law for military officers which is provided under Presidential Decree [PD] NO. 1638, issued in 1977. "President Aquino has already announced that Biazon would retire in April, 1991, when he reaches the age of 56. Definitely there will be no extension. She wants to establish the policy," he said. Starting this year, the "full effect of PD 1638" will be implemented, Adalem said, noting that the law provides that a military officer "retires upon completion of 30 years of commissioned service or 56 years of age, or whichever comes later."

Adalem noted that outgoing Armed Forces chief of staff Renato de Villa of PMA [Philippine Military Academy] Class 1957 was supposed to be retired last March 31, 1988, but his service was extended as his was a "transition" case. He was appointed chief of staff in January, 1988, and upon reaching 30 years of service, he was not 56 years old yet.

Prior to PD 1638, compulsory retirement was set at 30 years of service, including cadetship, so there were officers retiring at the young age of 47, he said.

He said the three-month term of Biazon from Jan. 24 to April, 1991, will be crucial as he will be planning and setting up the policies to stabilize the AFP though he may not be involved in their eventual implementation. He will have to redefine the role of the four major service commands of the AFP and decided where to put the PC [Philippine Constabulary] men who choose not to be absorbed in the Philippine National Police (PNP), Adalem said.

Recom 2 Chief

Tuguegarao, Cagayan—Brig. Gen. Pantaleon G. Dumlao Jr., Constabulary Criminal Investigation Service (CIS) chief, installed yesterday Brig. Gen. Agerico Kagaoan as the new PC-INP [Integrated National Police] Regional Command (Recom) 2 chief in ceremonies at Camp Adurru here.

Kagaoan succeeded Brig. Gen. Miguel F. Fontanilla, who was named Recom 5 chief in the Bicol region.

Dumlao represented Maj. Gen. Cesar P. Nazareno, PC-INP chief, during the turnover rites.

In a brief speech, Dumlao said the Constabulary will face a new organization—the Philippine National Police (PNP)—after 88 years of its existence. "The PNP will be another milestone in police work and we must unite to achieve the goal of the new organization that will be under the Department of Interior," Dumlao added.

In his farewell speech, Fontanilla thanked the officers and men of Recom 2 for their service to the nation. "Since I assumed the command last Jan. 13, the people of Cagayan, including elected officials, nongovernment organizations, and religious groups have been cooperative with the PC-INP," Fontanilla said. He said that without the support of media, he would have failed in implementing his peace and order program, especially during the mutiny led by then Cagayan Gov. Rodolfo Aguinaldo.

"Our comrade-in-arms, Brig. Gen. Oscar Florendo, offered his life as what Jesus did when He offered His Life to save the people," he added.

Fontanilla thanked President Aquino, Defense Secretary Fidel Ramos, Gen. Renato de Villa, outgoing AFP chief of staff, and Nazareno for giving him full trust and confidence.

"I will now face our leftist brothers in Bicolandia," he said. Kagaoan said he will try his best to follow the steps of Fontanilla. "The task at hand is not a small one, I am sure. Recent developments and the past turn of events in this area have shown that there is still a lot to be done," Kagaoan said.

He met his staff officers and was briefed by the PC-INP commanders of Cagayan Valley, including Lt. Col. Persie Aldaba of Cagayan, Col. Clyde Fernandez of Isabela, Col. Rodrigo de Guzman of Nueva Vizcaya, and those from Quirino and Batanes.

Fontanilla assumes today the command of PC-INP Recom 5 with headquarters in Legaspi City. He will replace Brig. Gen. Norberto M. Lina who was named Highway Patrol Command chief in Camp Crame, Quzon City.

Lina will replace Col. Wilfredo Cruz who was assigned to the Constabulary Security Group (CSG) in Camp Crame.

Aquino Defends Formation of National Police

HK2812140590 Manila Radio Veritas in Tagalog 1300 GMT 28 Dec 90

[Text] President Aquino defended the formation of the Philippine National Police and said that it is stipulated in the Constitution. She welcomes any move that questions the legality of its formation to the court. Press Secretary Tomas Gomez III reads the president's statement:

[Begin recording in English] President Aquino views the filing of a case as a good opportunity for the Supreme Court to [word indistinct] upon this far reaching legislation and resolve all questions as to its legality as we begin the transition period for its full implementation. Our position [words indistinct] is substantially in accordance with Section 6 of Article 16 of the Constitution which states as follows: The state shall establish and maintain one police force which shall be national in scope and civilian in character to be administered and controlled by a National Police Commission. The authority of the local executives over the police units in their jurisdiction shall be provided by law. [end recording]

Declaration of State of Emergency Proposed

HK2812140390 Manila Radio Veritas in Tagalog 1300 GMT 28 Dec 90

[Text] Philippine Chamber of Commerce and Industry President Aurelio Periquet proposes the declaration of a state of emergency in order to facilitate the implementation of the government's contingency plan.

[Begin recording in English] [Periquet] In order to make it easier to put our acts together.

[Reporter] [question indistinct]

[Periquet] When we are facing a crisis, we have to resort to extraordinary measures. [end recording]

He also noted the continued spread of coup rumors, politicians' feuds, and government red tape. These are obstacles for economic recovery.

Editorial Urges Strong Response to Coup Threats

HK2812023390 Manila PHILIPPINE DAILY INQUIRER in English 28 Dec 90 p 4

[Editorial: "Military Resolve, Action Can Ease Fears of a Coup"]

[Text] The arrest last Friday of an Army captain identified with the mutinous Rebolusyonaryong Alyansang Makabay [National Revolutionary Alliance] (RAM) and three others on a mission to bomb military aircraft at Basa Air Base has again set off rumors of an impending coup attempt. Further fuelling such scary speculations were subsequent reports about unusual activities in military camps in Bicol and Mindanao as well as several sightings of rebel leader Gregorio Honasan in Makati earlier this month.

Armed Forces chief Gen. Renato de Villa, however, has tried to soothe developing coup jitters by dismissing such reports as rumors spread to dampen the Christmas holiday. And so far all indications point to a peaceful exit for old 1990—and the accuracy of De Villa's assessment of the situation.

But before he has a laugh at the press for having been taken by a yarn, De Villa would do well to consider who was the original spoilsport that spun it.

The Basa incident had every mark of a simple sabotage operation. In previous coup attempts, the mutineers always tried to take over some air bases (and succeeded). Why would they settle this time for the destruction of aircraft when air power turned the tide against their past attempts to topple the government?

Apparently this simple question never occurred to De Villa's designated successor, Maj. Gen (now Lt. Gen.) Rodolfo Biazon. So there he was one day after the incident presenting the captured saboteurs to media and declaring that a new coup try had been aborted. As Biazon told it, superior intelligence work foiled an attack on the base that would have signalled the start of another coup attempt.

Not as superb it seems is the sleuthing being done by the military on Honasan, the leader of the two bloodiest and almost successful attempts to topple the government. According to a civilian intelligence group, the fugitive former lieutenant colonel was seen several times this month in Makati. Surprisingly, the sightings reported by civilian volunteers were in the very places that should have been priority targets for surveillance by military intelligence: the homes of well-known RAM supporters, including those of a prominent politician and of sons of politicians. Also surprising was the seemingly easy time Honasan had in eluding teams set to get him, although no details were given on the embarrassing incidents.

But just as amazing was De Villa's reaction to published accounts of Honasan's recent public appearances. "It should not be a surprise that Honasan is here. Metro Manila is his base...the center of his communication system, publicity system and support system," De Villa was quoted as telling reporters.

Having established all that, it must be asked why the military has not recaptured the man considered by the majority of people and the civilian leadership as Public Enemy Number One. With Honasan roaming the city, people can hardly be faulted for biting at every bit of coup rumor that floats their way. And it would not be possible to lay to rest the fear that he still commands a big following in the military or the suspicion he is being used to make the Armed Forces indispensable to the national leadership.

To a people growing increasingly cynical of the military's resolve to capture the really big fish among the mutineers and doubtful of the military's true loyalties, the most pleasant surprise the military can spring is having Honasan locked up in a stockade. De Villa has less than a month to do it; Biazon three months thereafter. Will either one be able to cap their colorful careers with this achievement? A nervous nation awaits such calming news.

Interview With Vice President Laurel

HK2512130390 Quezon City ABS-CBN 2 Television in English 1430 GMT 17 Dec 90

[Interview with Vice President Salvador Laurel by Teodoro Benigno of the PHILIPPINE STAR, Rodolfo Romero of MANILA BULLETIN, and Antonio Abaya of the THE MANILA CHRONICLE at the Manila Pavillion Hotel in United Nations Avenue, Manila; telecast on "Options" program hosted by Korina Sanchez—live; italics denote passages in Tagalog]

[Excerpts] [Passage omitted] [Benigno] With regard to the presidential elections of 1992, we have the late news that eight senators are agitating for the holding of the snap elections, what would be your reactions to this?

[Laurel] You know, that's not new Teddy [short name for Benigno]. We proposed that way back in May of 1989, right after the Nacionalista Party convention. That was proposed during the convention, but was rejected by the president. At that time, it could have been proper. But at this time, I think it is too late. The constitution prohibits a snap election within 18 months before a scheduled national elections. And also, we have another problem there, the Comelec [commission on Elections] just announced that an election, a presidential election, would cost about P [Philippine peso] 1 billion. I don't think we have that kind of money.

[Abaya] Let me go back to your initial relationship with the president after you were elected in February 1986. I understand that there was an agreement between the two of you that you would be given management of the daily affairs of the country, and which you feel as she reneged on. Is that correct?

[Laurel] Tony [shortname for Abaya] That's true. But I rather not talk about it. That's past. That's water under the bridge, and I'd rather look forward than behind.

[Abaya] But this is the source of your parting of ways, isn't it?

[Laurel] No. That wasn't the only one. Those were the personal aspects. But there were also the political and the party aspects, for instance the UNIDO [United Nationalist Democratic Organization], after she was elected, she abandoned it. And then the abolition of the Constitution, which I believed was not the proper thing to do, but she abolished the Constitution under which we were elected. You see, we both ran under the 1973 Constitution. We believed we were both elected under that Constitution. When we took our oath, we took our oath under that Constitution and we swore to preserve and uphold that Constitution. So, I was against the abolition of that Constitution. But she abolished it anyway. And that is one of the basic differences we had.

[Romero] The present situation, Mr. Vice President, about you and President Aquino is the second time in our post-war history , where the vice president [words indistinct] and largely does nothing. The first time, I can recall, was during the time of President Macapagal and Vice President Garcia. What are your thoughts on making this... [changes thought] getting rid of the situation in the future and making the vice presidency a...[changes thought] to avoid this kind of situation wherein the vice president does nothing or he's given no official function.

[Laurel] My position there, Rudy [shortname for Romero] is to shift to the parliamentary system. I am in favor of shifting to the parliamentary system from the presidential system. And I don't think that problem would occur if we adopted the parliamentary system, because the moment the parliament is elected, they elect their prime minister and such a situation would not occur. We would not have a president or if at all, it would just be a ceremonial president.

[Romero] When do you think is the best time to switch to this mode?

[Laurel] I think after 1992. I think this is not the time to change our system. [passage omitted]

[Benigno] A political storm of tremendous magnitude seems to be whirling around the person of Cory Aquino right now. If per chance, she seeks your advice on terms for her to be able to survive the storm, what kind of advice would you give her?

[Laurel] Well, first I think, I would give her pointers about things that can still be done. For example: Number one: I would advise her to be truthful and sincere to the people at all times, under all circumstances irrespective of the situation. The second is to suffer with the people during critical times, *to care and sympathize with the people.* The people feel they are suffering, they should-...[changes thought] the government should not spend too much money on luxurious items. [passage omitted]

[Benigno] The countless problems it seems is largely economic and the political problem is an offshoot right now of the severe economic problem. If you were to give advise to the President on how to cope with this economic crisis that seems to be very, very critical. What would be your advise to her?

[Laurel] I think the first thing we should address is political stability. My perception, and based on my visits all over the country, is that our number one problem is peace and order. Peace and order.

[Benigno] Not the economy?

[Laurel] The economy is a second one. But number one, the perception of the people is that it is peace and order. The peace and order or political stability, you might call it that, is essential to economic development. Investors will not come in if they know there is fighting and killing going on everyday here. They don't want to come in just to get caught in crossfire.

[Passage omitted] [Abaya] Earlier, Mr. Vice President, you said that our biggest problem is peace and order, if you are president what would you do to address this problem and who are causing this problem in the first place?

[Laurel] Number one: The peace and order problem is based on tolerance of violating the law. In other words, it is a matter of law enforcement. If all the laws necessary, including the anti-graft law, it's a matter of enforcement [sentence as heard]. What we need is a chief executive who will really execute the law.

[Abaya] Can you say there are enough laws..?

[Laurel] I think we have more than enough. We have all the laws we need to establish a law and order in this country. Law and order is the most essential. I would call it the first function of all governments on earth. Any government that cannot enforce law and order does not deserve to be there. [passage omitted]

[Benigno] What is wrong with the Philippines. Why is it that we have fallen far behind many of our neighbors in East Asia and Southeast Asia? Why is it that the countries that are either or probably behind us have already gone far beyond to see what we have not been able to do? What is eating us that does not enable us to perform the way our neighbors are performing?

[Laurel] Many regions, Teddy, have been thinking about that the past two years, and one reason is because of wrong economic policy. The neighboring countries that were behind us before like Taiwan, South Korea, even Singapore, Thailand, Malaysia, even Indonesia, who were behind us and now ahead of us, went forward because they were able to achieve political stability. Secondly, they were able to carry out perhaps through a strong government, national discipline and direction. Then, I noticed that their economic policies were export oriented. They were export oriented in that, unlike ours which is just buy Filipino, telling our people to buy Filipino, they were not just selling their products to their own citizens. They were gearing to sell their products on a competitive basis through foreign markets. So, they generated a lot of dollars. *For us here, we buy our own products.*

[Benigno] Cory is regarded as very kind and sweet and not using her (power).

[Laurel] In that respect Teddy, I agree with you. Of course in enforcing the law, you must have the political will to do it. And once they see an example, the crooks being sent to jail, I think the rest of the citizenry will obey the law. I really feel that the survival of the nation is now at stake. It is not just the (fair weather); *this is a weather problem and we are being hit by a typhoon.* It is time to set aside politics for a while; time to set aside petty partisan bickerings and address the problems which threatens the very survival of the nation. *Enough with politics. It is still a long way to go—one and a half years more to go.* That is 17 months away. [passage omitted]

[Benigno] You have something more to say about the bases?

[Laurel] Yes Teddy. I was saying that I am for a five to 10 year phaseout, and that right now I'd like to sharpen my proposal and say that I would like to see a seven year phaseout that will terminate in 1998, in time for the centennial of the Republic and to mark the 100th year of American presence in this country. Now, there are two other items that I would like to cite in support of my positions: One is the 70,000 families that are completely dependent on those bases. We have to have time also to relocate them and place them in other employment. Another major point that I would like to cite in support of my position is that, we have to consider the geopolitical changes taking place in our part of the world. The Soviets are going to pullout of Cam Rahn Bay. I was there. I was assured by the foreign minister of the Soviet Union and this was confirmed by Gorbachev, when I met with him. They are going to pullout of Cam Rahn Bay. So the moment that is pulled out, there will be less need for the U.S. bases in the Philippines. And these are things that we should take into account. I believe that a seven year phaseout would be just right.

Another point is from the U.S. standpoint, I don't think they will need these bases by 1997 or by the year 2000. Why? Because by the year 2000, I think land bases would be obsolete in the world. I think they are developing technologies, such that they will have satellite bases or floating islands by the year 2000.

[Abaya] Are the right-wing rebels a vital threat right now, Mr. Vice President? The RAM-YOU [Reform the Armed Forces Movement-Young Officers Union]?

[Laurel] I don't think so.

[Abaya] So, who is the biggest threat to national security right now, would you say?

[Laurel] I think the government. [laughter]

[Benigno] How about the latest oil price increases, Mr. Vice President. Were you in agreement with the manner in which they were raised?

[Laurel] No, I was not in agreement with the manner in which it was done. It was done without consultation with the affected sectors, that should have been done. It was done without proper hearing, and it was not well studied. It was done without even deciding what were the consequential increases in wages, in price of utilities. [passage omitted]

[Abaya] Would you join the clamor for President Aquino to resign?

[Laurel] No, I would not, not at this time. Firstly, it would be self-serving on my part to do that. Second, what we need now is unity. What I'm battling for Tony, is a government of national unity. I would like to see President Aquino tap the best brains in the country. The best and the brightest. There are many of them. [passage omitted]

Special Plebiscite in Kalinga-Apayao Planned

HK2112124190 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 21 Dec 90

[Text] The Commission on Elections will hold a special plebiscite in Kalinga-Apayao on 7 January 1991 in connection with the Cordillera Autonomous Region [CAR]. The autonomy bid was rejected in five provinces because of the violence in the Cordilleras. The Supreme Court is expected to come up with a decision invalidating the CAR because only the province of Ifugao approved it. This vote is not enough to make it fully autonomous.

Interbank Call Loan Rate Reaches 95 Percent

HK2812022890 Manila THE MANILA CHRONICLE in English 28 Dec 90 p 9

[By Arleen Chipongian]

[Text] Banks scrambled for funds yesterday to meet the higher reserve requirement imposed by the Central Bank (CB), sending the interbank call loan rate skyrocketing to an all-time high of 95%.

The CB raised the reserve requirement, or the portion of a bank's total deposits that it had to keep in the CB vaults, to 25% starting today. This means that for every peso of deposit, a bank can only relend 75 centavos.

The CB move was aimed at siphoning off excess money in circulation that had been causing inflation to rise to double-digit levels.

Cash-short banks, however, had to borrow from other banks to meet the new requirement and the tightness in funds sent the interbank rate soaring to as much as 95%. The average rate yesterday was a high 71.31%. The lowest rate quoted was 25%.

Prior to yesterday's rate, the highest point reached by the interbank rate was at 90% in October last year. That was when the CB raised the reserve requirement from 13% to 17%. The October 1989 high broke the previous 10-year record of 80%.

The surge in the interbank rate yesterday indicated that some commercial banks were severely short of cash to meet the higher reserve requirement and were desperate enough to pay up to 95% for overnight loans from banks with excess cash. Bankers said the increase in the interbank call loan rate is expected to contribute to a sustained high interest rate regime. Bankers noted that the increase in the interbank rate had been expected following the decision of the Monetary Board, the CB's policy-making body, to further increase the required deposits banks have to keep with the CB.

Increases in the reserve reqquirement are a monetary tool used by government to effectively mop up excess pesos in the system. A percentage point increase in the reserve requirement could easily take out P2.5 billion [Philippines pesos] from circulation. For December, money supply stood at about P116 billion, or higher than the programmed level of P111 billion.

Another tool often used by the government is the flotation of high-yielding Treasury bills. By luring banks to put money in Treasury bills, excess liquidity is removed from the system. However, this had caused lending rates to rise as banks tie their loan rates to the yields of the Treasury bills. The average Treasury bill rate rose last Friday to 31.495%, the highest for this year.

Lending rates, in turn, now range from 31% to 35% even for a bank's so-called prime borrower. Higher lending rates have the tendency of dampening business expansion as investors will find the cost of funds for their operations or expansions as too prohibitive.

Budget Deficit Now 36 Billion Philippine Pesos

HK2812022590 Manila THE MANILA CHRONICLE in English 28 Dec 90 p 9

[Text] The budget deficit of the national government stood at P36 billion [Philippine pesos] as of November 22 as government income of P157.7 billion was not enough to meet expenditures of P193.8 billion, official data showed.

Figures from the Department of Budget and Management showed that of the P193.9 billion spent by the national government from January 1-November 22, interest payments to both local and domestic creditors accounted for P64.1 billion.

Finance Secretary Jesus P. Estanislao said that by year's end, the national government's cash shortfall will reach a high of P35 billion, or above the target of P31 billion-P32 billion. The widening cash shortfall of the national government will lead to a ballooning budget deficit of the consolidated public sector to P50 billion.

This is the combined deficit incurred by the national government, the Central Bank [CB], government financial institutions and the government-owned or -controlled corporations.

The cash shortfall of the public sector had been blamed by both the CB and the domestic banking community for the high interest rate regime. The need to raise funds to cover the deficit had led the government to turn to domestic borrowings, mostly through the flotation of high-yielding government securities such as the short term Treasury bills.

The public sector deficit had also been the central issue in the negotiations with the International Monetary Fund (IMF) for a new economic stabilization program. The IMF had asked the government to cut the P90 billion projected deficit next year by about P55 billion.

This would be done through a P25 billion cut in expenditures next year and an increased in revenues by about P20 billion. The additional revenues would come mainly from the imposition of a 9% tax on all imports as well as improvements in the tax collection efficiency of the bureaus of Internal Revenue and of Customs.

Thailand

Committee Alters Workers Gulf Evacuation Plans

BK2812020990 Bangkok BANGKOK POST in English 28 Dec 90 p 1

[Text] Thai workers in Saudi Arabia will not be flown home and instead will be moved to 'safe sanctuaries" in the country if war breaks out in the Persian Gulf.

The arrangement forms part of a changed evacuation plan for Thai workers in the Middle East and was adopted yesterday by a Foreign Ministry committee chaired by Deputy Permanent Secretary for Foreign Affairs Pracha Gunakasem.

Ministry spokesman Sakthip Krairoek said about 80,000 Thai workers in Saudi Arabia will be moved to camps to be set up in safe zones within that country if war starts.

It was estimated that 130,000 Thais were working in Saudi Arabia, but the latest survey shows the number is now down to 80,000 because many have returned home at the end of their employment term.

Mr Sakthip said Iraqi missiles have a maximum firing range of 400 kilometres and the evacuation camps will have to be set up beyond the range of Iraqi artillery bases in Iraq and Kuwait.

Thai doctors will be sent to look after workers in these camps. Every 10,000 Thai workers will be taken care of by seven doctors.

The meeting, attended by representatives from the Labour Department, the Public Health Ministry, the Budget Bureau, the military and the Prime Minister's Secretary-General's Office, agreed Thai workers in Jordan, Iraq and Israel will be flown home in the event of war.

Thailand, according to the latest figure, has about 2,000 workers in Jordan, 200 in Israel and about 130 in Iraq. All will be moved to Cairo before being flown home

The evacuation plan will be forwarded shortly to Deputy Prime Minister Athit Kamlang-ek for an approval.

Evacuation work is expected to cost the Government 500 million baht to be drawn from an emergency fund.

The military representative at the meeting agreed to help provide training for Thai doctors in how to help workers if they come under chemical or gas attacks.

Athit To Visit Hanoi, Prepare Premiers' Summit

BK2812015990 Bangkok BANGKOK POST in English 28 Dec 90 p 2

[Text] Foreign Minister Athit Urairat plans to visit Vietnam to lay groundwork for a summit of Thai and Vietnamese premiers in Thailand, tentatively scheduled for late next month.

Vietnamese Ambassador to Thailand Nguyen Trung, during his courtesy call on Dr Athit yesterday, invited the Minister to visit Vietnam.

According to Foreign Ministry spokesman Sakthip Krairoek, Dr Athit replied that he will try to go to Vietnam before the arrival of Prime Minister Do Muoi in Thailand, so that he can finalise preparatory work for the prime ministerial meeting.

The ambassador also discussed Cambodia and told Dr Athit that Vietnam found the meeting in Paris between the Cambodian representatives and French and Indonesian ministers "satisfactory."

With the Cambodians agreeing to most of the fundamental points in the United Nations peace plan for Cambodia, the ambassador was quoted as saying that Vietnam is optimistic that other aspects of remaining problems can be resolved soon.

On bilatral relations, the two agreed that factors such as the decline of superpower rivalry and an emphasis on economic development prevalent in the region should be conducive to a stable and peaceful atmosphere in Southeast Asia, the spokesman said.

Dr Athit also urged Vietnam to help accelerate efforts to repatriate boat people.

Malaysia Wants Chatchai's Support on Trade Pact

BK2812014590 Bangkok BANGKOK POST in English 28 Dec 90 pp 1, 3

[Text] Malaysia is seeking Thai support for its initiative on an East Asian economic cooperation pact in the face of failed international trade talks.

Malaysian Ambassador to Thailand Dato Kamarudin bin Abu yesterday called on Foreign Minister Athit Urairat to deliver a letter addressed to Prime Minister Chatchai Chunhawan from the Malaysian Premier.

Foreign Ministry spokesman Sakthip Krairoek quoted the ambassador as saying that the proposed group will not be a trade bloc.

"Malaysia has no intention to initiate such a bloc, and the proposal is aimed at defending the region's economic interests," the spokesman said.

Dr Athit said he agree with the idea of expanding economic cooperation and would like Malaysia to explain it to others.

In his letter to General Chatchai, which was seen by the BANGKOK POST yesterday, Dr Mahathir Mohamed said the new pact would be "a regional economic force to uphold free trade and to balance the existing blocs."

Under the proposal, the pact would start with ASEAN, with Japan playing a vital role, South Korea, China, Japan, Taiwan and Hong Kong and would eventually include Indochina.

A delegation headed by Minister of International Trade and Industry Rafidah Aziz will visit Bangkok within two weeks as part of an ASEAN tour for "exploratory talks" on the issue.

Earlier this month, the Malaysian Cabinet decided that should the Uruguay Round trade talks of the General Agreement on Tariffs and Trade (GATT) break down, Malaysia would take the lead in the initiative to group

East Asian countries with an aim to protect the region's economic interests in view of the strong possibility that Western countries would impose trade barriers after unifying their markets.

In his letters to heads of governments, Dr Mahathir said he is not optimistic about an early, successful conclusion of the Round, which was launched four years ago, but the ministerial conference in Brussels set to wind up the talks adjourned in acrimony over farm trade subsidy reform.

The bleak prospects for the Round raised the question of what countries in the region could do to prepare themselves, otherwise they would lose out to other industrialised nations which have already sought to secure their future.

The proposed pact would, as Premier Mahathir told Gen Chatchai, "not only tap the economic potential (of the region) but also enhance trade and investment flows."

Stressing that the evolution of the grouping would not be an alternative to multilateralism, Dr Mahathir said it would instead concentrate on "cooperation in the most comprehensive manner."

"We also want to strengthen the countervailing power in the region, especially in facing international trade issues," Minister Rafidah Aziz was quoted as saying recently.

When it was first announced on December 6, Malaysia's Primary Industries Minister Lim Keng Yaik had used the word "bloc," but countries that Malaysia hopes would participate objected to the term.

The Malaysian Premier previously was quoted as saying that the US, Canada, Australia and New Zealand would not be part of the pact.

These countries are member of Asia Pacific Economic Cooperation (APEC), described as a "loose, consultative forum to promote free trade," which has already held two ministerial talks.

According to informed sources, Malaysia wanted to exclude Australia and New Zealand because the two already had their bilateral economic cooperation treaty.

This, together with the European Single Market in 1992, and the US-Canada Free Trade Agreement which is most likely to involve Mexico and Latin American countries, as well as Australia and New Zealand, reportedly demonstrated efforts to secure trading partners in a bid to minimise setbacks from the failure of the Uruguay Round.

Japanese officials have been quoted as saying they oppose formation of any bloc, but Dr Mahathir has said he hopes to discuss the matter with Japanese Prime Minister Toshiki Kaifu when he visits Malaysia.

Oil Exploitation Efforts With Malaysia To Begin

BK2112034190 Bangkok THE NATION in English 21 Dec 90 p A6

[Text] Legislation drafted by Thailand and Malaysia to set up a joint administrative body to regulate the exploitation of gas and oil reserves in the Gulf of Thailand would become effective by February next year, an Industry Ministry official said yesterday.

Wisit Noiphan, director general of the Industry Ministry's Mineral Resources Department, said this law, applying to 7,300 square kilometres of overlapping territory in the Gulf of Thailand, would enable the organization, or Joint Authority (JA), to sign a contract in the near future with Triton Oil of the United States, the Petroleum Authority of Thailand Exploration and Production Co Ltd and Petronas of Malaysia to explore the resources.

The three companies hold concessions on exploration in the area but none of them can proceed with operations in the absence of the legislation.

The parliaments of Thailand and Malaysia have ratified legislation on the JA in July and November respectively.

Wisit said the two countries were expected to exchange ratification on the legislation by the end of January before announcing it in their official gazettes.

The JA committee would meet in Kuala Lumpur on January 9 and 10 to set a date for exchanging the ratification of the legislation and to finalize the draft contract, according to Wisit who co-chairs the committee.

He said the committee still must decide who would become director of the body.

Under the legislation, the joint authority will be operated as a limited company comprising seven members from each country. It will supervise technical, customs, revenue and legal aspects of the venture.

It was understood that if the body's headquarters was in Thailand's southern province of Songkhla, the top post would go to the Malaysian side first and vice versa. The approximate term would be three years.

The legislation, which would be used by the two countries to replace the present petroleum laws for this area, also covers a new production sharing system.

Thailand and Malaysia signed the agreement on setting up the JA in May after more than ten years of negotiations on how to govern the exploitation of resources in the area. In 1979 both countries settled their claim over the territory by agreeing to jointly develop the area, which was named the Joint Development Area (JDA).

Lao Envoy Meets With Foreign Minister 27 Dec

BK2712034890 Bangkok Domestic Service in Thai 0530 GMT 27 Dec 90

[Text] Foreign Ministry spokesman Sakthip Krairoek reported that Lao Ambassador to Thailand Bounkeut Sangsomsak called on Thai Foreign Minister Dr. Athit Urairat at the Foreign Ministry this morning to congratulate him on his appointment to the post.

The Lao envoy expressed hope that relations between Thailand and Laos would be strengthened and all the agreements made earlier by the two countries would be further carried out by Thailand's new foreign minister.

The Thai foreign minister pledged to promote ties with Laos as the priority to all other neighboring countries. On academic assistance, Thailand will organize training courses for Lao technicians and students with a budget of 7 million baht in accordance with an agreement made by former Foreign Minister Subin Pinkhayan. A team of Thai officials of the Department of Technical and Economic Cooperation will soon make a trip to Laos to sound out what kind of assistance Laos would like to receive.

Discussing ways to expand bilateral trade, the foreign minister proposed a barter trade system and the Lao diplomat agreed on the principle.

On this occasion, the Lao ambassador also extended an invitation through Laos' foreign minister to the Thai foreign minister to visit Laos.

North Korean Party Delegation Visit Reported

BK2112093090 Bangkok Domestic Service in English 0000 GMT 21 Dec 90

[Text] A high-power delegation of the ruling party of the Democratic Republic of Korea paid a courtesy call on Deputy Prime Minister Bun-ua Prasoetsuwan during its visit to strengthen bilateral ties with Thailand. The delegation, led by Mr. (Cho Won-se), the secretary general of the Central Committee of the Labor [as heard] Party of North Korea, emphasized the existing goodwill and long-standing friendly relations between Thailand and North Korea with good potentials to develop closer trade and political ties in the future. Mr. (Cho) thanked the Thai Government for having participated in the 45th anniversary celebrations of the Labor Party.

Armed Forces Spokesman Views Border Situation

BK2712150190 Bangkok Army Television Channel 5 in Thai 1230 GMT 27 Dec 90

[Text] Lieutenant General Narudon Detpradiyut, director general of the Supreme Command Information Office, spoke about the border situation for this month during a news conference at the Supreme Command Headquarters this morning.

Regarding the border with Cambodia, the situation in general did not change to that of the previous period. There were crimes of hungry Khmer bandits preying on villagers. Fighting inside Cambodia continued as there was still no agreement for settlement of the problem. The are about 325,560 illegal Cambodian refugees in Thailand. Thailand has a policy of repatriating all these refugees when a peace agreement is reached and the situation in Cambodia returns to normal.

Regarding the border situation with Laos, Lao people continued to sneak into Thailand for work.

Supreme Commander New Year Message to Rank, File

BK2812031990 Bangkok THE NATION in English 28 Dec 90 p A4

[By Kokhet Chanthaloetluck]

[Text] Supreme Commander General Sunthon Khongsomphong yesterday urged the rank and file to keep abreast of the fast-developing political and economic situation and be prepared to adjust themselves to new circumstances.

In his New Year message circulated to troops of the three armed forces, Sunthon said soldiers must not be worried or taken aback by any event.

"We must act with discipline, as gentlemen who can win respect from the people. We will not appear aggressive and yet will be firm and intelligent in facing any problem with persevering adherence to sincerity," he said.

Sunthon said the Armed Forces was an institution that stabilized society and the economy while being on the alert to defend national sovereignty and independence from outside aggression.

"We are ready to stand by the people," he said.

In a related development, Army Commander-in-Chief Gen Suchinda Khaphrayun said he would dine with Prime Minister Chatchai Chunhawan only if he was free to do so.

Suchinda recently refused to attend the regular Wednesday breakfast meetings with Chatchai, claiming that he had a backache.

Asked yesterday whether he had recuperated, Suchinda said he still felt the pain in his back every time he stood up.

The army chief sdaid he was not concerned over the prospects of farmers and workers demonstrating to dramatize their grievances at low paddy prices and the new minimum wage rate, set at Bt100 for workers in Bangkok, because such things were usual in a democratic system.

If the government needs military assistance, the Capital Security Command, a task force which he heads with troops mobilized from the three armed forces and the police, would be ready to bring the situation under control, he said.

"There won't be any problem if the demonstrators respect the rights of other people in exercising their freedom of expression. They will just have to be careful not to offend the legitimate rights of others," he said.

Decree Opens Extraordinary Parliament Session

BK2712143790 Bangkok Domestic Service in Thai 1200 GMT 27 Dec 90

[Text] Royal Signature: Phumiphon Adunyadet, Rex,

Given on 26 December 1990, the 45th year of the present reign.

By the royal command of His Majesty, King Phumiphon Adunyadet, it is hereby proclaimed that:

Since it is deemed appropriate that the extraordinary parliamentary session be convened for the benefit of the country, His Majesty the King, empowered by articles 118 and 159 of the Constitution of the Kingdom of Thailand, hereby graciously orders that a royal decree be issued convening the extraordinary parliamentary session on 4 January, 1991.

Countersigned: General Chatchai Chunhawan, prime minister.

Parliament Members Given 'Consolation' Positions

BK2312015090 Bangkok THE NATION in English 23 Dec 90 p A1

[Text] Government MPs [members of parliament] who lost out in the jockeying for Cabinet posts will be given more than 100 consolation positions as prime ministerial advisers and officials attached to Secretariat of the Prime Minister.

The positions are generally understood to be inactive ones with no particular job descriptions, but they come with a monthly salary of Bt [baht] 28,000 for PM's [Prime Minister's] advisors and Bt18,720 for officials attached to the secretariat.

PM's Office Minister Sawat Khamprakop of the Solidarity Party told reporters yesterday that seven positions in the prime minister's advisory board and 22 positions for officials attached to the secretariat had been alloted to the party.

"The positions will be given to MPs' who did not make it to the Cabinet posts," Sawat said. "However, several MPs have already made known their intention not to accept any post because they are too busy."

The minister said the Solidarity Party has no problem distributing the positions among its MPs because all of the 62, except for eight MPs, would be occupied with their work either as Cabinet ministers, PM's advisers or officials attached to the secetariat.

Sawat said senior executives of the party would meet this weekend to decide who should be given what positions.

Informed sources in the Solidarity Party said many MPs had already launched frantic lobbying for the posts of advisers and secretariat officials for fear that these positions would be given to non-MP financiers.

Of the 27 positions in the PM's advisory board, 11 will be given to Chat Thai Party, seven to Solidarity, three to Ratsadon, four to Prachakon Thai, and two to Puangchon Chao Thai. Of the 85 positions at the secretariat, 35 will go to Chat Thai, 22 to Solidarity, 12 to Prachakon Thai, nine to Ratsadon and seven to Puangchon Chao Thai.

Commerce Minister Assigns Office Responsibilities

BK2212022590 Bangkok BANGKOK POST in English 22 Dec 90 p 17

[Text] Commerce Ministry Amaret Sila-on has already divided work among his two deputies.

Deputy Commerce Minister Chamnong Phothisaro said yesterday Mr Amaret would be in charge of the Office of the Permanent Secretary, Foreign Trade Department, Export Promotion Department and other policies directly handed down by the Government.

Mr Chamnong said he himself would look after the Commerical Registration Department and Insurance Department, while Deputy Commerce Minister Chuchip Hansawat would be responsible for the Internal Trade Department and Business Economics Department.

2 Solidarity Ministers Dissatisfied With Jobs

BK2212030990 Bangkok BANGKOK POST in English 22 Dec 90 p 1

[Text] Two Solidarity ministers yesterday voiced dissatisfaction with the jobs and responsibilities given them by Prime Minister Chatchai Chunhawan.

Deputy Prime Minister Chaloemphan Siwikon said he felt jobless because he was given too little work to do.

He said that when he first accepted the offer to join the Government he expected to be given a lot of work and he wanted to make a name for the Solidarity Party and himself.

He added that he had sent a memo to the Prime Minister outlining the jobs that he would like to do, such as tourism in which he had good experience.

Asked about his exclusion from overseeing economic affairs, Mr Chaloemphan said he could not give an answer now, but would wait for an announcement of the appointment of various committees to take charge of economic matters.

Regarding the public relations work which was delegated to the Chat Thai Party, the Deputy Prime Minister said he thought PM's [Prime Minister's] Office Minister Sawat Khamprakop of his party was capable enough to do the job.

However, he said the Solidarity Party would not protest against the Prime Minister over the delegation of jobs and responsibilities.

Mr Sawat, meanwhile, told reporters that he would look after EGAT [Electricity Generation Authority of Thailand] only because he was familiar with the job since he was a minister in the government of the late Field Marshal Phibunsongkhram.

He admitted that he had no expertise or experience with the National Statistics Office and the National Education Commission and would like to ask the Prime Minister or other ministers to look after them.

"This does not mean that I am not happy. Any work which I feel I cannot perform efficiently, I better not accept because I don't want to spoil it," Mr Sawat said.

He said he did not have to consult the party in refusing to accept responsibility for the National Statistics Office and the National Education Commission.

Asked whether he would accept responsibility for the two agencies if requested by the Prime Minister, he said he would not.

Mr Sawat said he was not upset at not being given the authority to oversee Mass Communications Organisation of Thailand because he had not asked for the job in the first place.

Samak Request for Treasury Reserve Money Rejected

BK2712025090 Bangkok THE NATION in English 27 Dec 90 p A2

[Text] Finance Minister Banhan Sinlapa-acha said the more than Bt [baht] 100 billion treasury reserve will be used only in emergency cases such as helping people affected by natural disasters.

He was apparently referring to a comment by Communications Minister Samak Suntharawet who said last week that his ministry would seek Bt3 billion from the reserve to pay off the Bangkok Mass Transit Authority's debts.

Banhan was speaking to reporters after visiting the Comptroller General's Department on Wednesday.

The finance minister said he did not want to engage in a conflict with Samak over the matter but Samak had to seek the Cabinet's approval if he wanted to draw that amount from the reserve.

Comptroller-General M.R. Chatumongkhon Sonakun said ministerial rules allow the reserve to be used for reconciling the previous fiscal year's budget deficit and alleviating the suffering of people caused by natural disasters.

The reserve could also be used to pay to the private sector which hold matured government bonds, Chatumongkhon said.

He added that the regulations allow the reserve to be used for paying off government's debt only for the funds the government borrowed from foreign countries.

Former Finance Minister Wiraphong Ramangkun last month derailed the National Energy Policy Board's attempt to use the reserve to stop the oil fund from drying out.

Science Minister Meets 5,000 Protesting Farmers

BK2512023090 Bangkok THE NATION in English 25 Dec 90 p A1

[Text] Farmers and the labour movement mounted pressure on the government yesterday, threatening major protests if the administration fails to solve their problems.

Thousands of farmers rallied in Buriram yesterday demanding immediate government action to help shore up falling paddy prices, while five labour councils vowed to stage a major demonstration in Sanam Luang next month to push for a higher minimum wage.

In Buriram, about 5,000 farmers protested in front of the provincial hall in Muang district, while about 600 others rallied in Narong district.

The protesters in Muang district want the government to guarantee a Mali fragrant rice paddy price of Bt [baht] 4,000 per kwian [2,000 litres], distribute cheap fertilizer to farmers and allow farmers to mortgage their paddy with the government agencies concerned.

The protesters dispersed after Science Minister Anuwat Watthanaphongsiri promised to forward their demands to the government.

The farmers protesting in Narong district said if the government did not respond to their demand by today, they would take "further steps" which would include a major demonstration in Bangkok.

They demanded that the government intervene in the rice market in order to guarantee a paddy price of Bt5,000 per kwian.

They said the government, intervening in the rice market to push up prices, must purchase paddy directly from farmers before the end of January.

In Bangkok, leaders of the five labour councils gathered for an urgent meeting yesterday following the Wage Committee's decision to increase the minimum wage for Bangkok and major provinces from Bt90 to Bt100, an amount considered insufficient by labour leaders.

Thanong Pho-am, president of the Labour Congress of Thailand, said the five councils would submit a letter to the Cabinet today to demand a Bt112 minimum wage for workers in Bangkok and major industrialized areas.

"The Bt112 rate should be enforced on Jan 1 as a New Year gift from the government to workers nationwide," Thanong said.

The Bt110 wage set by the Wage Committee along with lower rates for other parts of the country are scheduled to go into effect on April 1.

The five councils will also ask the government to increase the salaries of employees of state enterprises in accordance with civil servants' new salary scheme expected early next year, Thanong said.

Thanong said a major demonstration would certainly take place at Sanam Luang on Jan 22 no matter how the government responded to the councils' demands.

Rice Exports Drop 35 Percent Compared to 1989

BK2512024490 Bangkok BANGKOK POST in English 25 Dec 90 p 16

[Text] Rice exports from January to November dropped sharply by 35 percent and 39 percent in volume and value respectively on the same period the previous year, according to the Board of Trade's Rice Committee.

It said a total of 3,603,941.42 tons of rice worth 25,081.34 million baht were shipped during the 11 months, against 5,593,517.70 tons valuing 41,499.26 million baht.

However, export volume in November alone was higher than the corresponding month last year, totalling 336,832.89 tons compared with 278,632.85 tons. The export value amounted to 2,221.96 million baht, about four million baht less than last year.

Based on the 11-month performance, the Board of Trade said this year's overall exports are expected to total 3.8 million tons worth 26,500 million baht, close to the preliminary forecast by the Commerce Ministry.

As far as next year's rice exports are concerned, the committee said it needs to assess exports closely during the first six months before making any prediction for the whole year.

Farm Support Package for Rice Industry Announced

BK2612014490 Bangkok THE NATION in English 26 Dec 90 p A1, A2

[By Sam-Ang Wutthisaksathit, Peter Maitri Ungphakon]

[Text] Facing depressed market prices and protests by farmers, the government yesterday came up with a final support package for the rice industry that exceeds the proposals mooted last week.

The package, which scraps all interest charges on farmers' loans for stocking paddy (unmilled rice), was described by Deputy Prime Minister Chaloemphan Siwikon as representing governing assistance of Bt [baht] 12.12 billion.

But critics have already attacked the government for deliberately misleading the public because a large proportion of the figure is in the form of soft loans.

They are also unhappy with the way the subsidized credit programme has been designed because it encourages farmers to default on their borrowings from the state-owned Bank for Agriculture and Agricultural Cooperatives (BAAC).

Insiders have expressed concern that the bank's staff might not be able to handle millions of tonnes of forfeited paddy stored in farmers barns' all over the country.

The ad hoc committee representing the Agriculture, Commerce, Finance, Interior and Defence ministries decided yesterday that the BAAC is to lend an estimated Bt5 billion to farmers who pledged 1.5- 1.6 million tonnes of paddy as collateral.

The farmers will be allowed to borrow up to 90 percent of the value of their rice calculated according to target prices of Bt3,800-4,200, about Bt1,000 more than the present market prices.

In previous years they were allowed to borrow up to 80 percent of the current market value.

Deputy Finance Minister Suchon Champhunot told reporters yesterday that the government is prepared to make up any losses incurred either by farmers of the BAAC as a result of the programme, including the bank's losses from the seizure of paddy used at collateral whose value does not cover the money borrowed.

For the first time, farmers will also be able to use glutinous rice as collateral for BAAC loans, valued at Bt3,500 per tonnes of paddy.

Other measures included in the package are Bt1.52 billion for various intervention buying schemes operated by the Interior and Defence ministries, usually restricted to narrow localities, Bt600 million (double the amount in previous years) for the Agriculture Ministry to support intervention buying through 237 farmers' groups in 35 provinces, Bt1.5 billion to cover possible Commerce Ministry losses in buying milled rice from exporters and exporting it, and other smaller schemes operated by the Agriculture Ministry.

The agriculture bank is also to lend to farmers who reduce their rice acreage, charging low interst rates of 3 percent on long term loans, and 5 percent for loans used as short term working capital.

Farmers are to be encouraged to turn their land into pasture and keep livestock, as well as to plant fruit trees and other alternative crops. The Northeast, currently the largest rice growing area, is targeted for the biggest share of the programme.

The ministers said the entire package could start immediately and specifics would have to be formally approved by the Cabinet.

Agriculture Minister Narong Wongwan described the package as "very good". He said farmers will be able to earn more without having to suffer from lower market prices.

Commerce Minister Amaret Sila-on said his ministry would buy 800,000 tonnes of rice for export. Of this, 200,000 tonnes is being bought this and next month for immediate sale. Another 200,000 tonnes will be stocked up between February and October, and 400,000 tonnes in export is already being negotiated, he said.

With no sales at all at present, the international market needs some trading, which could provide signals that Thai prices are rising and start a recovery, Amaret said.

In an unusual press conference, in which he, Chaloemphan, Narong and Suchon were interviewed by government spokesman Pridiyathon Thewakun, Amaret suggested the proposed state trading company to be set up to handle the government's rice sales might be a limited company wholly owned by the state.

But this would have to be left to the Cabinet to decide, the ministers said.

Critics say the government's efforts to buy paddy directly will not be widely effective because the scale is small and the purchasing is selective. On Monday, Associate Professor Choemsak Pinthong of Thammasat University described the measures as "li-ke" (farce).

Chirmsak and others have accused the government of deliberately misleading the public by disguising the fact that the larger numbers in the package are loans, in which only the interest is subsidized.

Critics also say the incentive for farmers to default on their loans could set an unwelcome precedent for the bank which has so far managed to balance financial prudence with its task of lending to farmers who are not usually able to borrow from commercial banks.

BAAC President Suwan Traiphon reacted favourably to the government's decision to channel much of the new efforts to support paddy prices through the state-owned agricultural bank, a BAAC spokesman said.

Suwan was quoted as saying the decision indicated that the government had shown confidence in the bank and considered the bank to be the institution best-placed to undertake the task of raising farmers' incomes.

Some of the people working under Suwan, however, continued to express uneasiness about the new measures. They said the bank faces a dilemma because on the one hand it has to maintain sound financial practices, while on the other it faces increasing difficulty in resisting the demands of the ministers who control it.

Outsiders have been blunter. Last week, exporter Wichai Siprasoet, president of Riceland International and deputy secretary general of the Thai Rice Exporters Association, accused the government of trying to make political capital out of the whole price support package.

Wichai said farmers were being misled into believing that the policies would work and accused the government of trying to win votes. Other critics have suggested Suwan is too willing to yield to political pressure at the expense of sound banking practice.

Plans To Stabilize Rice Prices, Cut Output

BK2712033090 Bangkok THE NATION in English 27 Dec 90 p B12

[By Atchara Pongwutthitham and Aphisak Thanasetthakon]

[Text] The Commerce and Agriculture Ministries yesterday simultaneously unveiled multi-million-baht [Bt] assistance plans to stabilize rice prices in the local market and to reduce the country's paddy fields and rice output.

The measures, which are part of the government's Bt12.12 billion assistance package, came a day after an ad hoc comittee representing the two agencies, the Defence, Finance and Interior Ministries approved the package.

Commerce Minister Amaret Sila-on announced yesterday that the ministry will commence a market intervention scheme within 30 days under which it will buy 200,000 tonnes of 100-percent B-grade rice from exporters between now and January at Bt7,500 a tonne. This will require Bt1.5 billion. The purchase of the first 100,000 tonnes will be completed in 30 days.

The Public Warehouse Organization will be assigned to borrow Bt300 million from commercial banks and the Government Savings Bank to pay to exporters as deposits.

And to finance the purchase, the exporters will be asked to buy rice and pledge it with commercial banks. In the event that the ministry is required to deliver rice to its foreign counterparts, the government will redeem the grain.

In the official statement, the ministry argued that buying from the exporters would be a more effective means to raise the price locally than to buy from rice millers. A set of measures was approved to check that only the main crop is bought.

In an effort to maintain the rice prices from February to October next year, the ministry will buy and reserve an additional 200,000 tonnes. All of the rice will be sold to foreign buyers on a government-to-government basis.

During a press conference yesterday, Commerce Minister Amaret said the government's massive assistance package has already helped buoy domestic rice prices.

The price of paddy with 15 percent moisture, for instance, has risen from Bt3,450 to Bt3,700 a tonne while the price of 100-percent B-grade milled paddy has increased from between Bt6,280 and Bt6,300 to Bt6,630 and Bt6,650 per tonne. Moreover, the ministry will accelerate sales of an additional 250,000 tonnes of rice to overseas clients, he added.

The minister, for the first time, publicly discussed the setting up of the government central rice trading company, which, the authority claimed, would enhance the efficiency in handling the government rice trade, replacing the Foreign Trade Department.

The minister said the firm would be established as a legal entity, as either a company, an organisation, or an authority with the government as the sole shareholder.

Meanwhile, the Agriculture Ministry will shortly launch a campaign to encourage farmers to plant substitute crops such as beans by providing low-interest loans.

Yukti Sarikaphuti, permanent secretary, said the ministry would ask the Bank for Agriculture and Agricultural Cooperatives to reduce the interest charged on farmers' loans for replacement crops from 12.5 percent to 5 percent per year in the short term and 3 percent in the longer term.

Government Panel Approves Rice Price Measures

BK2112033390 Bangkok THE NATION in English 21 Dec 90 p A4

[By Aphisak Thanasetthakon and Atchara Phongwutthitham]

[Text] A high-level government rice panel yesterday approved a package of measures to boost paddy prices which could result in an additional state subsidy of more than Bt [baht] 6 billion to the rice sector.

The measures, which include for the first time a financial incentive programme to reduce rice planting areas in the second crop season, are the first policy move by the new Chatchai government to try and gain popularity from the rural people.

The generous package, which deals with both domestic paddy prices and exports, will be presented to the Cabinet for approval next Tuesday in time to thwart any criticism from the Opposition when Parliament convenes for an extraordinary session scheduled Jan 4-10 to hear the government announce its policy statement.

Chaloemphan Siwikon, deputy prime minister, chaired the meeting of the rice panel appointed by the new Cabinet last week comprising Finance Minister Banhan Sinlapa-acha, Commerce Minister Amaret Sila-on and Agriculture Minister Narong Wongwan.

Chaloemphan said the BAAC [Bank For Agriculture and Agricultural Cooperatives] will continue its rice pledging programme using the soft loan of Bt15 billion it already has, but rice farmers will be able to pledge their stocks at 85 percent of the target price range between Bt 3,800-4,200 per kwian [2,000 litres].

Should farmers wish to sell the paddy which they had pledged when the market price drops the government would pay the necessary compensation.

The previous paddy pledging condition only allowed farmers to pledge up to 80 percent on market prices which had slumped to less than Bt3,000 per kwian. The interest rate will stay at 3 percent.

Observers said the government could end up spending a total of Bt11 billion in subsidy including the Bt5-billion budget which BAAC already has to maintain paddy prices at the new target range.

The panel also agreed that BAAC must start a programme for farmers to pledge stocks of glutinous paddy at the set price of Bt3,500 per kwian.

With rising interest rates in the financial market, BAAC will have to shoulder higher losses from yesterday's ruling as the Finance Ministry has yet to allow the bank to raise the lending rate. Part of the bank's funding comes from deposits from commercial banks which earn interest tied to the moving market deposit rates.

The BAAC's loss is expected to be close to Bt2-3 billion for 4 million tonnes of paddy expected to be pledged under the new scheme. Chaloemphan would only say that the state has to subsidize BAAC for the loss but he did not say where the money would come from.

Wichit Suphinit, the governor of the Bank of Thailand, said in a separate interview that BAAC ought to raise its lending rates to cover the ongoing operating loss. He hinted that the bank could raise its loan-rates on the more wealthy group of farmers.

He declined to comment whether BAAC should get more state subsidy. The central bank and senior Finance Ministry officials are known to be concerned that the government would be tempted to try and use the Bt97-billion fiscal reserve to support paddy prices, fearing that this would only lead to more spending and heighten inflation.

In yesterday's package of measures was a plan for the government to extend financial incentives to farmers to reduce planting areas for the second rice cropping season. BAAC will be instructed to extend soft loans to farmers switching to other types of crops. The Agriculture Ministry and BAAC will jointly determine appropriate interest rate for this programme.

The incentive programme is believed to be an attempt to stop farmers from cultivating low quality rice in view of the growing competition in the world market.

The Agriculture Ministry will also be granted an additional budget of Bt300 million to further support paddy prices, according to the panel recommendation, while the Agriculture Extension Department will get another Bt300 million worth of subsidy on top of the Bt950-million budget it already has to buy paddy from agriculture cooperatives.

But a proposal by the agriculture minister that a recent Bt1.5-billion budget allotted to the Commerce Ministry be used to buy rice from the agriculture cooperatives was not adopted. Instead, the Commerce Ministry would buy rice from members of the Thai Rice Exporters Association and Thai Rice Millers Association.

The budget is to be used to purchase up to 200,000 tonnes of quality rice of which 100,000 tonnes must be bought within the next 30 days.

The Commerce Ministry was also instructed to stock up at least 400,000 tonnes of rice at the start of the current harvest season to help shore up prices.

To boost the country's competitiveness in the world rice market, the panel ruled that the Commerce Ministry would be freed to extend necessary credit to foreign buyers up to 600,000 tonnes of rice without having to seek prior approval from the Cabinet. The ministry was also told to try and speed up exports of another 400,000 tonnes of rice where the government would extend necessary compensation in case of losses.

The panel approved the controversial proposal by the Foreign Trade Department to set up a rice trading company which is aimed at rendering operational flexibility and allow Thailand to compete better in the world rice market. There will be more rice available next year due to higher world output although the supply from Thailand is expected to drop. The export target from Thailand is set at 4 million tonnes for 1991.

The main economic ministers also moved to purge the growing bureaucracy of the Rice and Measures Policy Committee which the panel felt was growing "too fat" with some 35 members making it increasingly inflexible.

The size of the Rice and Measures Policy Committee will be scaled down and a team of officials will be appointed to monitor the policies adopted by the committee.

Vietnam

Soviet Envoy Gives News Conference on Situation

BK2812030890 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Dec 90

[Text] Soviet Ambassador to Vietnam Khamidulin convened a regular press conference on 27 December to brief the press on the situation in the Soviet Union. Ambassador Khamidulin disclosed that the Communist Party of the Soviet Union Central Committee met on 11-12 December to discuss two major issues, namely the Union Treaty and tasks to be carried out by party organizations at present.

The conference ascertained that in spite of difficulties and complications, the party has continued accelerating the reform program and other positive activities aimed at maintaining and renovating the union. Particularly, a conference was convened in the Soviet Union on 25 December with the participation of President Gorbachev and the republic state leaders. The participants agreed on a number of important issues related to the future of the Soviet Union and continued their debates on the socioeconomic objectives to be fulfilled in 1991.

The ambassador briefed the press on a number of international issues related to the Soviet Union and other countries and expressed the Soviet Union's desire for a sensible and reasonable solution to the Cambodian issue.

Council Creates Bank of Industry, Commerce

BK2812115990 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Dec 90

[Text] Under Decision Number 402 of the chairman of the Council of Ministers, the Central Industrial Commercial Bank has become a state owned trading bank called the Vietnam Bank of Industry and Commerce.

From 25 December 1990, the bank operates under the new regulation, has independent legal status, an independent accounting system, and independence in finance and trading.

The bank has trading functions in money, crediting, foreign currency exchange, and banking services for every economic element, particularly in industrial, transportation, postal, commercial, and service fields to contribute to production and circulation development, and to stabilize monetary value.

The bank has a headquarters office in Hanoi, representative offices and branches nationwide, and overseas branches.

The bank operates under the direct control of the Vietnam State Bank, the management of the board of chairmen, and the directional authority of a general manager.

Official 'Optimistic' About Oil Industry

BK2812071190 Hanoi International Service in English 1000 GMT 27 Dec 90

["Vietnam's Economy" feature]

[Text] Five days before the end of 1990, 5 million tonnes of crude oil were pumped up from the continental shelf of Vietnam. This figure is of economic significance as the world's oil price has climbed up to $200 a tonne.

Speaking to our radio correspondent, Mr. Truong Thien, general director of the Vietnam National Oil and Gas Company, was optimistic about the country's oil exploitation, saying that from 1991 onward oil output will increase by one million tonnes annually. In other words, it will be 3.5 million tonnes in 1991 as against 2.5 million in 1990 and 4.5 million in 1992. Mr. Truong Thien said: We have formulated a technical and economic feasibility study for the period from 1991 to the year 2010 which is characterized by a million-tonne annual increase. This is a well-grounded possibility as we have relatively big deposits of oil and gas and availability of the industry's infrastructure. Rigs are also taken into consideration. In the last two consecutive years, the oil and gas industry is the biggest source of state budget of both foreign currency and Vietnamese currency. Until now, the main consumer of Vietnam's crude oil is Japan though many other foreign companies are also in need of this product.

About the quality of Vietnam's crude oil, Mr. Truong Thien said: They highly value our crude oil as it has low content of sulfur though the paraffin content is high. They prefer our oil because it is easily [word indistinct] and causes and little environmental pollution. However, Vietnam cannot only export crude oil for long, and it's time to build a modern refinery infrastructure. This is a double-profited job. We can sell oil at higher prices and at the same time provide jobs for people. Informed of this intention, 17 companies have already sent applications for the construction of the project. More than 20 other companies proposed another modern business: to conduct gas, a by-product of the exploited oil, from the oil wells to on-land factories processing nitrogenous fertilizer and generating electricity of southern provinces. The Vietnamese state is going through those proposed projects and will choose one to be built in early 1991.

Besides the Joint Vietnam-Soviet Oil and Gas Enterprise which was established since the early 1980's, 10 more contracts on oil prospecting and exploiting in the Vietnamese continental shelf were conducted over the past three years since the promulgation of the investment law. Those companies include Shell of the Netherlands, Petrofina of Belgium, and British Petroleum of Great Britain. Among the nine wells being drilled by these companies, oil has been found in some wells.

Oil and gas industry is considered to be one of the three major spearheads of Vietnam's import and export service besides rice and aquatic products.

Nguyen Van Linh Urges Socialism in Army Tasks

BK2812081790 Hanoi VNA in English 0709 GMT 28 Dec 90

[Text] Hanoi VNA Dec. 28—Party General Secretary Nguyen Van Linh has said that in "all circumstances, the Vietnamese people and army will unflinchingly march forward on the road to socialism." Addressing the all-army political education conference held here recently, he said: "Over the past four years, in a complicated international situation and amidst big economic difficulties in the country, our army and people have achieved many things. We have successfully effected a great strategic readjustment... We have completed the deployment of forces on a national scale, creating a national defence posture both in width and in depth. We have taken a fundamental step in reorganizing the staff of the armed forces, reducing the strength of the regular army by 600,000 men, while attaching importance to the building of the militia, self-defence and reserve forces...

"We have concentrated our efforts on building the army politically to ensure its political steadfastness in face of complicated situations at home and abroad not losing sight of the socialist objectives and ideal."

Nguyen Van Linh continued: "After helping our Lao and Cambodian friends develop in all fields and become strong enough to assume the tasks of defending the revolutionary gains and their countries by themselves, we have withdrawn our army volunteers from Laos and Cambodia. Our people and army's whole-hearted and effective assistance to the Lao and Cambodian revolution in the spirit of pure internationalism has consolidated the relations of solidarity, friendship and cooperation between the people and army of Vietnam and those of Laos and Cambodia"...

On the tasks of the army in the coming years, Nguyen Van Linh said: "For us, 1991-1995 will be a very trying period but we also have new opportunities to push up the building and defence of our socialist homeland...

"A very important change in the next five years is that we shall no longer enjoy international subsidies. More than ever before, we have to develop our sense of independence, sovereignty, and self- reliance, raise that quality of the army and the strength of the all-people defence to firmly defend the socialist homeland.

"We will continue consolidating our special friendship, solidarity and cooperation with Laos and Cambodia in the new situation we must constantly care for the all people defence and increase the education of national defence to the entire people and party and state cadres at all levels.

"In the present complicated situation at home and abroad we must take care of the political and ideological work and at the same time secure enough defence equipment and weapons for long-term use.

"In any circumstances, our people and armed forces will continue to unflinchingly march forward on the socialist road chosen by the party, President Ho and the people. Whether the sky and the sea are calm or stormy, our army will live up to President Ho's teaching: "Accomplish any task assigned, overcome any difficulties and defeat any enemies", Nguyen Van Linh stressed in conclusion.

Council Issues Resolution on Press, Publication

BK2612142990 Hanoi NHAN DAN in Vietnamese 8 Nov 90 pp 1, 4

[Text] On 5 November 1990, the Council of Ministers issued a resolution on intensifying the management over work related to press and publishing activities as follows:

Of late, new efforts have been made to improve the quality of press and publishing activities. Both topics and contents have been enriched. Initial steps have been taken to improve forms. Press and publishing activities have helped develop good models. Journalists and publishers have positively participated in the struggle against corruption and negativism and have helped smash hostile forces' fallacious propaganda maneuvers, consolidate the people's trust and improve their intellectual standard, and disseminate the party and state's renovative line as well as educate and motivate everyone to implement it.

Nonetheless, the press and publishing activities still display a number of shortcomings and weaknesses as follows:

—A number of press agencies and publishing houses have been formed, especially at the local level, but they have not met the conditions and requirements set by the state and have failed to comply with set principles, objectives, functions, and tasks. A number of newspapers and publishing houses have put out materials with bad contents aimed at distorting history, negating past achievements, and magnifying mistakes. A number of press agencies and publishing houses have carried out commercial activities by going after the vulgar taste of part of the readership.

Generally speaking, there is a lack of adequate planning for press, publishing, and printing activities. Publishing houses and printing facilities have been overdeveloped. Many localities have used publishing houses as bodies specializing in commercial activities to generate income for their budgets. A number of agencies and mass organizations at the central and local levels as well as many districts and townships have made use of their printing facilities to carry out commercial activities, thus wasting resources and causing fierce competition at variance with existing laws and regulations.

—The distribution of books and newspapers remains scattered. Books and newspapers are available mainly in cities and towns and are hardly distributed to rural, mountain, and island areas. The number of books and newspapers available at public libraries only accounts for 1-3 percent of all printed materials. The operations of state-run book publishing groups are on the decline and cannot provide the readership with sufficient books.

—Many agencies in charge have failed to exercise tight control over the activities of press agencies, publishing houses, and printing facilities directly under their supervision. Particularly, they have not closely guided these bodies in strictly complying with set orientations, functions, tasks, lines, and objectives.

—State management agencies in charge of press and publishing activities at the central and local levels still lag behind in fulfilling their function and are slow to renovate the management mechanism in accordance with the new situation. Many shortcomings, including negativism in management, have continued to prevail. No stern and timely action has been taken against violations.

In order to develop the role of press and publishing activities in the renovation cause and meet the people's growing demands, the Council of Ministers has attached importance to a number of issues as follows:

1. It is necessary to realize the particularly important role of press and publishing activities on the ideological and cultural fronts as well as the contributions these activities can make to accelerate the renovation cause and the movement to build and defend the socialist fatherland, to oppose hostile forces' erroneous arguments and acts of sabotage, and to firmly maintain political security.

It is important for state management organs and agencies in charge of press and publishing activities at the central and local levels to intensify management and create necessary conditions for the press and publishing and printing services to operate strictly in accordance with set guidelines and plans and to help the people have access to information and improve their cultural background and aesthetic standard according to the current socioeconomic situation.

[Text] 2. The duties of the Ministry of Culture, Information, Sports and Tourism are:

—To plan anew the press, printing, and publication networks at the central and local levels;

—To appraise the principle, purpose, function, and duty of each press and publication agency on the basis of the managing agency's recommendations; to issue licenses and control their implementation in line with the contents of licenses and current laws and regulations;

—To authorize the printing and publication of translated foreign language books and books published between 1945 and 1975 in the former temporary enemy-controlled areas and;

—To coordinate with concerned agencies and organize the basic and advanced training of press and publication cadres to ensure the formation of a contingent of politically strong and professionally competent cadres.

3. On the strength of party and state orientations, heads of state agencies, party organs, and mass and social organizations at central and local levels are responsible for determining the principles, purposes, and operational guidelines and scope of the press, printing, and publishing units within their areas of control. They are

also responsible for establishing, guiding, controlling, and supervising these organizations, ensuring that these organizations operate in accordance with the designated principles and purposes, serve the right objectives as stipulated in the licenses, and scrupulously comply with the state laws and regulations.

4. Editors in chief of newspapers and directors of printing and publishing houses and other publishing organizations are directly responsible for all aspects of the operations of their units to the respective managing agencies and before the law.

5. The press and publication network must be rearranged:

a. The Ministry of Culture, Information, Sports and Tourism must immediately provide guidance for, organize registration of, and reissue licenses to all the press and publishing agencies countrywide which meet the following criteria:

—Their principles, purposes, and objectives to be served must be clear and relevant to the function and duty of their management agencies.

—They have enough cadres for leading and other positions according to the state criteria for cadres and other employees of the press and publication which are prescribed in Decision No. 120- LD/QD dated 6 June 1985 of the Labor Ministry and guidance of the Ministry of Culture, Information, Sports and Tourism.

—They have sufficient financial, material, and technical facilities to ensure that the press and publication operations conform with the prescribed principles, purposes, and objectives to be served.

b. Heads of managing agencies at central and local levels and chairmen of the people's committees of provinces, cities, and special zones directly controlled by central government will refer to the aforementioned criteria and guidance of the Ministry of Culture, Information, Sports and Tourism to screen, arrange, and plan anew the press and publication network under their managerial control, and will register it with the Ministry of Culture, Information, Sports and Tourism so that licenses can be reissued. The arrangement, registration, and reissuance of licenses for press and publication operations must be carried out immediately in the fourth quarter of 1990 and must be completed no later than the end of the first quarter of 1991.

It is not necessary that each province have a publishing house. If those sectors and localities that do not have a professional publishing house need to publish something, they may ask for a temporary publication license.

Publishing houses may not be established at district and precinct levels. Should a need arise to publish some documents on the spot, permission should be requested according to prescribed regulations.

[Text] 6. Regarding the printing sector:

The Ministry of Culture, Information, Sports, and Tourism must provide guidance in terms of criteria and plans for rearranging the printing sector and registering and reissuing operational permits to various printing shops.

All ministries and provincial and city peopls's committees must organize or rearrange the printing sector in the following direction:

—Put the sector in order and not allow it to remain as dispersed as at present.

—Consolidate and improve the production capacity and technical quality of a number of printing centers in various big cities aimed at satisfying the printing demands of the central level and regions concerned.

—Ministries, sectors, and localities with printing demands must closely supervise their own printing establishments—which have been registered and have obtained operational permits—to ensure that these establishments serve them according to their needs, and not engage in illegal printing activities for commercial purposes.

7. Regarding the publication of books and newspapers:

The Ministry of Culture, Information, Sports, and Tourism must coordinate with the other ministries concerned in establishing a system for the publication of books and newspapers (which includes self-publishing regulations for various press agencies and publishing houses) and reorganizing all state-operated publishing organizations. It must also arrange for the registration of and closely supervise all non-state book and newspaper outlets.

The Vietnam General Corporation of Telecommunications and Posts (Ministry of Communications, Transportation, and Posts) must be responsible mainly for the publication of newspapers under contracts with various press agencies.

The General Corporation of Book Publication (Ministry of Culture, Information, Sports, and Tourism) must be responsible mainly for the publications of books through the state publication system and agents under contracts with various publishing houses.

8. Enforcement of policies concerning investment and price subsidization for the press, publishing houses, and printing establishments.

All organs in charge of the press and publishing houses must ensure operational funds for and inspect and supervise the execution of various financial procedures of press agencies and publishing houses. They must control most rigorously the enforcement of policies on subsidizing prices and ordering goods toward a number of newspapers and publishing houses in accordance with the spirit of Resolution Number 60-HDBT dated 8 June 1989 of the Council of Ministers.

Press agencies and publishing houses must account for revenues and expenditures. However, they must not take this as a pretext to nurture the tendency to reap profits in an unhealthy or illegal manner.

The Ministry of Culture, Information, Sports, and Tourism must administer unified management over the export and import of books and newspapers as well as equipment and materials for use by the printing sector.

The Ministry of Light Industry, especially the Vietnam Union of Paper Enterprises, must strive to improve the quality of printing paper in order to gradually curtail the import of this material. Meanwhile, they must be responsible for ensuring a balance between the demand and supply of paper and regulating the export and import of paper to meet the needs arising from domestic consumption.

The minister of culture, information, sports, and tourism must be responsible for specifically directing and supervising the implementation of the resolution.

All ministers, chairmen of state commissions, heads of other organs belonging to the Council of Ministers, and people's committee chairmen of provinces and cities and special zones directly subordinate to the central government must be responsible for directing the implementation of the resolution among press and publishing organizations of various sectors and localities.

Circular Issued

BK2612073090 Hanoi Domestic Service in Vietnamese 1100 GMT 25 DEc 90

[Text] Ministry of Culture, Information, Sports and Tourism just issued a circular to guide the implementation of directives and resolution on the work of press publication.

The circular contains specific regulations to confirm the position of the work of the press publication, printing, and publishing in the new situation; to point out the responsibility of the heads of press publication, printing, and publishing offices, the responsible organs, and the government management offices; to rearrange the network of the press publication, printing, and publishing at central level and at the local level; to organize re-registration and grant new licenses; to train and retrain cadres; to implement the investment policy and price subsidy policy for the press publication, printing, and publishing.

The circular guides the rearrangement of the network of press publication, printing, and publishing in order to confirm, strengthen, and improve the quality of press publication activity, to improve the standard and responsibility of the people who are in the ideological and cultural front to convey the information accurately, on time, and plentifully to the public to get practical results and to prepare all the conditions to contribute to the implementation of resolutions of the seventh party congress.

New Capital Construction Regulation Issued

BK2012140190 Hanoi Domestic Service in Vietnamese 1100 GMT 18 Dec 90

[Text] The Council of Ministers has just issued a decree promulgating the regulation on management of capital construction. This legal document carries some amendments to the old regulation on capital construction to suit the present situation. The regulation is attached with decree no. 232-CP dated 6 June 1981.

The regulation is composed of seven chapters. The general clause stressed the basic principles of capital construction, order of construction, eligible investment, and capital and responsibility of construction management sectors and echelons.

The regulation also defined incentives for and punitive measures against heads of construction projects. The council for examining economic-technical feasibility studies will examine reports and approve projects and plans submitted by agencies and individuals engaging in capital construction.

Magazine Sees Good Prospects in EEC Relations

BK2412144190 Hanoi Domestic Service in Vietnamese 0015 GMT 23 Dec 90

[QUAN HE QUOC TE article by Dong Phuc on the EEC's decision to establish its official diplomatic relations with Vietnam; date of issue not given]

[Summary] "Since 1975, the EEC has shown a desire to establish cooperative relations with Vietnam, notably in the economic, scientific, and technological fields. There have been many political contacts and a humanitarian aid program designed to give food and medicine to Vietnam. EEC economists have also discussed with the Vietnamese side a number of economic and trade projects. The EEC's humanitarian aid, either directly or indirectly dispersed through various international organizations, has amounted to U.S.$1.35 million."

In 1979, "the EEC used the Cambodian issue as a pretext to sever relations with Vietnam and withhold its aid. Of late, positive changes in the world as well as in Vietnam coupled with positive developments in the Cambodian issue have warmed up EEC-Vietnamese relations."

Since the end of 1989, following the Vietnamese troop withdrawal from Cambodia, public opinion in the EEC countries has increasingly supported a call for normalizing relations with Vietnam. A number of countries like Italy, France, the FRG, and Britain have pushed for relations with Vietnam. Private companies have been especially interested in probing prospects for investing in Vietnam.

"Capital investment from EEC countries, mainly in gas and oil prospecting and exploitation, have accounted for approximately 60 percent of the total foreign investment in Vietnam. This is a new development, because EEC aid to Vietnam was previously limited to humanitarian assistance. In terms of foreign trade, the EEC has given Vietnam a foothold and with its recent decision to establish diplomatic relations with Vietnam, the EEC will be a major market for increased quotas of Vietnamese farm produce, garments, and handicrafts."

In order to draw investment from the EEC, we must improve and develop our infrastructure and step up cooperation with other countries. Specific attention should be paid to improving the quality of our scientific and technical management cadres and skilled workers and urgently preparing for specific cooperative projects with the EEC.

"The EEC's decision to establish official relations with Vietnam is in line with the general trend. Better prospects are expected in the time to come, given the existing developments in EEC-Vietnamese cooperative relations."

Delegation Attends French Party Congress

BK2512153890 Hanoi VNA in English 1455 GMT 25 Dec 90

[Text] Hanoi VNA December 25—A delegation of the Communist Party of Vietnam led by Nguyen Thanh Binh, Politburo member and secretary of the party Central Committee, recently visited France and attended the National Congress of the French Communist Party.

While there, the Vietnamese delegation held talks with leading officials of the French Communist Party, conveyed party General Secretary Nguyen Van Linh's letter to his French counterpart Georges Marchais concerning the enhancement of the traditional relations between the two parties.

The delegation also exchanged views with other foreign delegations attending the congress and met with leading officials of the French Socialist Party.

Nguyen Thanh Binh met with representatives of the Vietnamese Residents' Union in France.

Nguyen Van Linh Greets Marchais

BK2512133690 Hanoi Domestic Service in Vietnamese 2300 GMT 24 Dec 90

[Text] On 23 December Comrade Nguyen Van Linh, general secretary of the Communist Party of Vietnam, sent a congratulatory message to Comrade Marchais, general secretary of the French Communist Party [PCF], on the latter's reelection.

The message says: I wish you, comrade, good health and greater capability in working with the new PCF Central Committee to develop the PCF's glorious tradition and triumphantly fulfill the tasks set forth by the 27th party congress. May the militant solidarity between the two parties last forever.

French Communist Party Greeted

BK2312044290 Hanoi Domestic Service in Vietnamese 2300 GMT 21 Dec 90

[Text] On 21 December the Communist Party of Vietnam [CPV] Central Committee sent a message of greetings to the Central Central Committee of the Communist Party of France on the occasion of the party's 70th founding anniversary. The message says:

The close relationship between the CPV and the PCF, which stemmed from its congress 70 years ago and was painstakingly cultivated by Comrade Ho Chi Minh and the comrade leaders of many generations of the PCF, will last and remain lively forever.

We will do all we can to constantly consolidate and develop that relationship in the interests of the parties and peoples of the two countries, as well as for the benefits of the world communist and workers movement and the cause of peace, national independence, democracy, and socialism.

Border Regulations With Laos Promulgated

BK2412151390 Hanoi VNA in English 1454 GMT 24 Dec 90

[Text] Hanoi VNA Dec. 24—The Vietnamese Council of Ministers today issued a protocol on promulgating the Vietnam-Laos border regulations.

The regulations cover the residential, travelling, administrative, security and other issues along the common border. They took effect immediately from the date of promulgation.

Lao Embassy Confers Awards on Army Volunteers

BK2312053490 Hanoi International Service in English 1000 GMT 22 Dec 90

[Text] The Lao Embassy in Hanoi on Saturday held a ceremony to confer the orders and medals of Laos on Vietnamese experts and army volunteers, who discharged their international obligations in Laos form 1945 to 1975.

There were 61 Independent Orders, first class; 171 Anti-French Colonialist Medals; and 75 Anti-U.S. Imperialist Medals.

Speaking at the ceremony, Lao Ambassador Bouasi Chaleunsouk pointed to the achievements and glorious military exploits of the Vietnamese experts and army volunteers in contribution to the Lao revolution in the last half a century. The ambassdor affirmed that the [words indistinct] of the Lao revolution is possible due to great assistance of the Vietnamese revolution.

Economic Cooperation With Laos Group Meets

BK2012161490 Hanoi VNA in English 1458 GMT 20 Dec 90

[Text] Hanoi VNA Dec. 20—The Vietnam-Laos Commission for Economic, Cultural, Scientific and Technological Cooperation held its 14th session here from Dec. 13-19.

The Vietnamese delegation was led by Phan Van Khai, member of the Communist Party of Vietnam Central Committee, chairman of the State Planning Commission and chairman of the Vietnamese section, and the Lao delegation by Phao Bounnaphon, member of the Lao People's Revolutionary Party Central Committee, minister of Finance, Planning and External Relations and chairman of the Lao section.

The two sides reviewed the implementation of the cooperation plan for 1990 and discussed the orientation for 1991. They reached unanimity in all matters raised for discussion, laying particular stress on the need to ensure efficiency in cooperation in the new conditions created by the economic renovation in each country.

A cooperation agreement for 1991 was signed on Dec.19 under which Vietnam will give priority to helping Laos in the training of scientific and technical cadres.

Also on December 19, Chairman of the Council of Ministers Do Muoi received the Lao economic delegation.

Vo Chi Cong Sends Letter to 312th Division

BK2712085990 Hanoi Domestic Service in Vietnamese 2330 GMT 26 Dec 90

["Text" of Council of State Chairman Vo Chi Cong's 25 December letter to members of the Chien Thang Division on the occasion of its 40th founding anniversary, 27 Dec]

[Text] Hanoi, 25 December 1990

Dear comrades:

On the occasion of the 40th founding anniverary of the 312th Division, 27 December, on behalf of the party and the state, I would like to extend my best regards and warmest greetings to all the cadres and combatants of the division. I also would like to extend my heartfelt sentiments to the families of fallen heroes, to war invalids and sick soldiers, and to all those comrades who, belonging to various generations dating back to the founding of the 312th Division, have retired or have been released from the Army.

Over the past 40 years, led by the Communist Party of Vietnam and esteemed Chairman Ho Chi Minh and loved and supported by the people, various generations of cadres and combatants of the 312th Division have constantly developed the fine character and glorious tradition of the heroic Vietnamese People's Army, have gone through various stages of revolutionary struggle full of hardships and sacrifices, have striven to maintain their mobility on various battlefields, and have scored numerous combat exploits in the cause of national liberation and unification, in the defense and building of the Socialist Vietnamese fatherland, and in the fulfillment of your international obligations. You, comrades, really deserve the noble title: Hero Unit of the People's Armed Forces.

On this glorious anniversary, I would like to heartily commend you, cadres and combatants of the division, for the achievements you have scored over the past 40 years.

Dear comrades: Considering the current revolutionary requirements for stepping up the renovation undertaking, building socialism, and defending the fatherland, the Armed Forces' responsibility is very heavy, requiring you, comrades, to build your division into a comprehensively steadfast unit with a high fighting strength capable of outstandingly fulfilling all the missions assigned to it by the party, state, Army, and people.

Let cadres and combatants thoroughly understand the renovative line of the party as well as various policies and lines of the party and the state, unceasingly develop the division's traditions of remaining united and heroically victorious, strengthen your unity, maintain your discipline, heighten your revolutionary vigilance, maintain close cooperation with other units, closely attach yourselves to the people, be combat ready, and fight victoriously. Let you, comrades, strive to undergo political and military training, surge forward to master modern science and technology, actively participate in productive labor and economic construction, and ensure that your unit is always comprehensively steadfast. I wish you good health and more new achievements.

My cordial and determined-to-win salutation.

[Signed] Vo Chi Cong

Vo Chi Cong Sends Letter to Army Hospital

BK2112103990 Hanoi Domestic Service in Vietnamese 2330 GMT 19 Dec 90

[Letter from Council of State Chairman Vo Chi Cong to cadres, combatants, and personnel of Army Hospital 103 on its 40th founding anniversary—date not given]

[Text] Dear Comrades:

On the occasion of the 40th founding anniversary of Army Hospital 103—a heroic unit of the People's Armed Forces—20 December 1950-20 December 1990, on behalf of the party and the state, I would like to extend my cordial greetings and best wishes to professors, doctors, technicians, cadres, and military personnel of Army Hospital 103, as well as to wounded and sick soldiers under treatment at the hospital.

During the past 40 years of consistent struggle, under the leadership of the party and President Ho Chi Minh, and with support from people in localities and assistance from the Army medical sector, you comrades have satisfactorily performed your duties and provided prompt and effective services to Army units in various battlefields.

Army Hospital 103 has satisfactorily carried out its medical treatment and has sucessfully saved the lives of a large number of wounded and sick soldiers. The hospital also helped train more than 1,000 medical doctors for the Vietnamese Army and the fraternal Armies of Laos and Cambodia, conducted more than 2,000 medical research projects—some of the findings have been applied effectively to medical treatment—and sucessfully established a joint treatment pattern combining traditional and modern medicine.

On this occasion, on behalf of the party and state, I highly commend you comrades for your achievements and convey my commendations to echelons of the administration, sectors, mass organizations, and people of Ha Son Binh Province for their support and assistance to Army Hospital 103 during the past four decades.

Dear comrades, the renovation cause and the present national construction and defense require all of you comrades to strive to develop the glorious tradition of the hospital, firmly grasp the party and state lines and policies, strive to abide by the law, practice thrift, and enhance the spirit of self-reliance in medical research and treatment. Each cadre, combatant, and person in the hospital must strive to improve their studies, enhance their professional skills, promote the combination of traditional and modern medicine in treatment, improve cadre training, and satisfactorily implement Uncle Ho's teaching: Doctors are dear mothers, while consistently improving services at the hospital so as to make it worthy of the confidence accorded by the entire Army and people.

I wish you comrades good health and many ever greater achievements.

My cordial and determined-to-win salutations to you all.

[Signed] Vo Chi Cong.

22 Dec Marks National Defense Day, Army Day

Leader Visits Village

BK2512113690 Hanoi Domestic Service in Vietnamese 2330 GMT 23 Dec 90

[Text] On the occasion of the commemoration of the All-People National Defense Day, 22 December, General Nguyen Quyet, secretary of the Communist Party of Vietnam [CPV] Central Committee, vice chairman of the Council of State, and head of the Vietnam People's Army [VPA] General Political Department, visited and worked with party committees, administrative officials, people, and the People's Armed Forces at Lien Minh Village, Vu Ban District, Ha Nam Ninh Province. The village was recently bestowed the title Heroic People's Armed Unit by the Council of State.

Meanwhile, General Doan Khue, member of the CPV Central Committee Political Bureau, vice minister of national defense, and chief of the VPA General Staff, visited cadres, combatants, workers, personnel, and wounded and sick soldiers at Army Hospital 108. He also visited and worked with cadres and combatants of the Chien Thang infantry division, one of the outstanding divisions of the VPA.

Military Attaches Attend Banquet

BK2512063290 Hanoi International Service in English 1000 GMT 24 Dec 90

[Text] Deputy Defense Minister Senior Lieutenant General Tran Van Quang and his wife gave a banquet to military attaches of foreign embassies in Hanoi and their wives on the occasion of the Vietnamese People's Army Day, 22 December.

On this occasion, Senior Lieutenant General Tran Van Quang expressed the Vietnamese people and Army's gratitude to the fraternal armies and peoples over the world for their assistance and support to Vietnam, thus making contributions to the glorious achievements and development of the Vietnamese People's Army over the past 46 years.

He added that the Vietnamese people and Army are determined to strengthen their solidarity and friendship with other peoples and armies in the world to help stabilize the situation and maintain peace in the region and the world as a whole.

Activities Held in Hanoi

BK2212100990 Hanoi Domestic Service in Vietnamese 2300 GMT 20 Dec 90

[Text] Many activities have been held over the past few days in various districts and precincts of the capital of Hanoi to mark the 46th founding anniversary of the Vietnamese People's Army, the all-people national defense festival, 22 December 1944-90.

The city's Ho Chi Minh Communist Youth Union coordinated with the Capital Military Region Headquarters to organize a general review of the 1990 national defense tasks and to discuss the 1991 guidelines and the ways to coordinate and implement the plan for educating youths on the national defense duty in the current revolutionary stage.

The Ba Dinh precinct's party committee and people's committee held a cordial meeting with retired high-ranking officers and representatives of the veterans' associations of all wards in the precinct. On this occasion, the wards' authorities reviewed the movement to build friendship houses and held meetings to inquire about the discharged and wounded soldiers and the surviving families of fallen heroes.

In the Ba Dinh and Dong Da precincts, the women's unions held a meeting of fallen heroes' surviving mothers and widowers, mothers and wives of war invalids and in-service soldiers, and retired female officers.

On this occasion, a military sport contest was conducted for the militia, self-defense, and local forces in Gia Lam district. Earlier, looking to the all-people national defense festival, units in the Capital Military Region had also conducted military sport contests to evaluate their training quality and the health conditions of troops.

Outstanding Units, Individuals Awarded

BK2112102790 Hanoi Domestic Service in Vietnamese 1430 GMT 20 Dec 90

[Text] On the occasion of the 46th founding anniversary of the Vietnam People's Army and the 22 December 1990 All-People National Defense Day, on the recommendations of the Council of Ministers, the Council of State on 20 December 1990 decided to confer the title of Hero of the People's Armed Forces to the following units:

1. People and People's Armed Forces of Dong Van village, Van Son District, Thanh Hoa Province.

2. Cadres, employees, and security guards of the Long Tho construction materials joint enterprise in Thua Thien-Hue Province.

3. People and People's Armed Forces of Thoi Binh Ward, Can Tho City, Hau Giang Province.

The above-mentioned units have made outstanding contributions to the task of building the People's Armed Forces, consolidating national defense, and defending the fatherland, thus showing themselves worthy of being called typical pace-setting units of the movement to implement the local military task over the past 15 years.

On the recommendations of the Council of Ministers, the Council of State also decided to confer the title of Heroic Unit of the People's Armed Forces to the following collectives:

1. The Criminal Police Bureau of the Nghe Tinh Province public security service.

2. The Criminal Police Bureau of the Lang Son Province public security service.

3. The Espionage and Reactionary Suppression Bureau of the Quang Ninh Province public security service.

4. Security guards, cadres, and workers of the Thanh Cong textile plant under the Union of Textile Enterprises, Ministry of Light Industry.

5. The management and personnel of the Kinh Bay reeducation camp of the Kien Giang Province public security service.

6. The Fifth Ward public security service in Soc Trang City, Hau Giang Province.

7. The management and border defense troops of the Sa Huynh checkpoint of the Quang Ngai Province border defense force.

8. Station No. 8 of Transmission Center No. 810 of the Ministry of Interior's Signal and Liaison Department.

The above-mentioned units have scored outstanding combat and work performances, thus greatly contributing to guaranteeing political security and social order during the 1985-90 five-year period.

The Council of State also decided to confer the title of Hero of the People's Armed Forces to Pham Van Thuan alias Muoi Thanh, who was in charge of an armed security company in the Province of Rach Gia, which has now been merged into the Province Kien Giang. Pham Van Thuan was born in My Quoi village, Thanh Tri District, Hau Giang Province. He fought with much gallantry, earned outstanding merits, and valiantly sacrificed himself for the war of resistance on 7 January 1971.

Dao Duy Tung Attends Fatherland Front Conference

BK2412093390 Hanoi Domestic Service in Vietnamese 2300 GMT 23 Dec 90

[Text] The Vietnam Fatherland Front Central Committee recently held a conference with noted personages and intellectuals to discuss and contribute ideas to the two draft documents of the upcoming Seventh Communist Party of Vietnam [CPV] Congress.

Comrade Dao Duy Tung, member of the CPV Central Committee Political Bureau and secretary of the party Central Committee, attended and addressed the conference. He stressed the main points of the draft platform on socialist construction for the transition period.

Delegates to the conference, which included professors, Catholic priests, Buddhist monks, and Protestants, enthusiastically discussed and contributed ideas to the party draft documents.

Uncle Phan Tu Nghia, an old intellectual; lawyer Vu Cong Hoa; and many other personages asserted the necessity of having the party leadership work for the success of the Vietnamese revolution. They expressed the identity of views with the party Central Committee on our country's inevitable advancement to socialism.

Tien Giang Food Output Tops 1 Million Tonnes

BK1012083690 Hanoi VNA in English 0702 GMT 10 Dec 90

[Text] Hanoi VNA December 10—Tien Giang Province this year yielded a total food output of 1,214,000 tonnes, ranking fifth among the nine Mekong River Delta provinces that have topped the one-million-ton of food/year mark. The four others are Hau Giang, An Giang, Dong Thap and Cuu Long. It is a considerable achievement for a province with a per capita share of cultivatable land of barely 800 square metres. This has resulted from a series of measures including intensive farming, multi-cropping land reclamation. Right in 1981, 10,000 hectares in Cai Lay District was marked off to grow high-yield rice strains. Two years later, the high-yield acreage increased to 40,000 hectares from which the farmers got a per hectare productivity of more than eight tonnes. The high-yield acreage now occupies 30 percent of the cultivated land and 61 percent of the total food output of the province. In the reclamation of the Plain of Reeds, the local farmers have reclaimed 25,000 hectares of the 40,000 hectares of wasteland within the province's boundary. In 1989 alone, they reclaimed 1,515 hectares and put them under double-cropping rice, and hundreds of other hectares under sugarcane, sweet potatoes, and eucalyptus. More than 3,000 households have settled in the Plain of Reeds, followed by the construction of schools, markets, towns and roads. It should be recalled that in 1975 at the time of liberation of South Vietnam, Tien Giang's total annual output was only 300,000 tonnes.

Australia

Party Leader Predicts War Unless Iraq Withdraws

BK2812072290 Melbourne Overseas Service in English 0500 GMT 28 Dec 90

[Text] The National Party leader, Mr. Tim Fischer, says that Australia must prepare for the worst as the gulf crisis moves toward war. Speaking after visiting Australian ships in the gulf, Mr. Fischer said war would break out unless Iraq pulls out of Kuwait. However, he says Australian sailors in the region are well prepared.

[Begin Fischer recording] The situation is pointing toward a full-scale shooting match, a war apparently. Yes, that is what is going to happen, if Husayn does not do a U-turn, we hope and pray there might be a last minute diplomatic development, but short of that, all that I saw led me to believe we must get ready for the worst and the Australian ships are in an excellent state of readiness. [end recording]

Lithuania Wants Recognition From Australia

BK2412065290 Melbourne Overseas Service in English 0500 GMT 24 Dec 90

[Text] Lithuania's prime minister, Mrs. Kazimiera Prunskiene, says Lithuanians are not frightened by threats from Moscow to crush the Baltic republic's push for independence. Mrs. Prunskiene who arrived in Australia today for talks with the prime minister, Mr. Hawke, says she is confident the threats will not be carried out.

Lithuania's president, Landsbergis, has reportedly warned his people the Kremlin soon may move to impose presidential rule on all breakaway republics.

Mrs. Prunskiene will be asking Mr. Hawke to establish diplomatic relations with Lithuania and expand the present trading relationship.

Meanwhile, Lithuanians drawn up a detailed plan to resist an expected crackdown on separatists by the Kremlin. Monica Erhardt reports from Moscow:

[Begin Erhardt recording] Lithuanians say there are already signs the Kremlin has ordered its military to establish order and restore the sovereignty of Soviet law. President Landsbergis says Soviet soldiers have been patrolling the streets of the port city of Klaipeda stopping citizens and checking documents. He says Lithuania will resist any move by President Gorbachev to impose martial law in his republic. He has urged deputies of the Soviet parliament to resist the conservative push to give the president more power. He says he is convinced that if President Gorbachev is given the powers he wants, he will become a captive of the military. [end recording]

Papua New Guinea

Bougainville Rebels Reject Peace Offer

BK2812105690 Melbourne Overseas Service in English 0800 GMT 28 Dec 90

[Text] The secessionist leadership on Bougainville has rejected Papua New Guinea's latest proposal for peace talks. Radio Australia correspondent Sean Dorney reports that former Premier Joseph Kabui has told the prime minister, Rabbi Namaliu, there will be no further negotiations until certain demands are met.

Mr Kabui, who led the Bougainville delegation to the first round of talks in August, said he is simply not prepared to hold any further negotiations until Papua New Guinea's security forces leave Buka and other outer islands and the Papua New Guinea Government renounced its agreement with some of the Buka Island leaders.

Solomon Islands

New Fishing Access Agreement Signed With Japan

BK2412071290 Melbourne Overseas Service in English 0500 GMT 24 Dec 90

[Text] Solomon Islands and the Japanese Tuna Association have signed a new fishing access agreement. The agreement allows the association's members to fish within Solomon Islands' 200-mile exclusive economic zone. It replaces an old one which had been in operation since 1983.

The Solomon Islands Government says the new deal which comes into effect in January involves increased payments, but no figures have been disclosed.